FBIS DAILY REPORT

MIDDLE EAST & SOUTH ASIA REVIEW

3 JANUARY 1986

Aftermath of Terrorist Attacks

Commenting on the possibility of Israeli and U.S. reprisals for the Rome and Vienna airport shootings, the Cairo paper *AL-JUMHURIYAH* warned of U.S. and Israeli preparations, according to MENA, adding that the U.S.-Israeli strategic cooperation agreement aims not at peace but at imposing "arbitrary stability" regardless of the damage inflicted on Arab interests. Iranian President 'Ali Khamene'i expressed Iran's "absolute support" for Libya against "foreign threats and provocations," according to Tripoli's Voice of Greater Arab Homeland radio.

Lebanon

Sources close to President Amin al-Jumayyil said his talks with Syrian President Hafiz al-Asad in Damascus 2 January were held in a "positive atmosphere," noting that Al-Jumayyil wants sufficient time for consultations to muster support for the tripartite agreement, Radio Monte Carlo reported. The two presidents agreed to meet again 9 January after further contacts and consultations with other parties, the sources disclosed. An editorial by Syria's *TISHRIN*, reviewed by Damascus radio, said the latest round of Al-Jumayyil-Al-Asad talks was aimed at removing obstacles to the tripartite agreement and at ensuring the broadest Lebanese consensus. *TISHRIN* accused Israel of trying to undermine the Lebanese accord by "direct threats" against Syria and by "belligerent acts" in southern Lebanon.

In the south, "heavy fighting" continued between "Popular Liberation Army" fighters and General Antoine Lahd's army of southern Lebanon (ASL), according to Beirut radio, which said the ASL lost 3 tanks in an unsuccessful attempt to advance on the front between Jazzin and Sidon. Jerusalem television announced that IDF artillery fired at "terrorist targets" in Lebanon, noting that this was in response to recent katyusha rocket attacks on the Upper Galilee.

Syria

Syria recently received 250 Soviet T-80 tanks and has deployed over 100 T-80's on the Golan Heights, the Kuwaiti paper *AL-RAY AL-'AMM stated in a report from Damascus cited by* KUNA.

PLO Affairs

The PLO is studying a Syrian proposal for reconciliation, Fatah Central Committee member Hani al-Hasan disclosed in a statement reported by Cairo radio. Nevertheless, PLO Executive Committee Chairman Yasir 'Arafat warned in a press interview cited by AFP that Syria's objective in restoring relations with Jordan is to provoke a split between the latter and the PLO. Fatah Central Committee Member Salah Khalaf likewise expressed apprehension that the Syrian-Jordanian rapprochement "could be at the expense of the PLO" during an interview with the Kuwaiti paper *AL-QABAS*.

Iran-Iraq War

Detailing Iraqi military activity for 2 January, an Iraqi communique broadcast by Voice of the Masses radio said Iraqi planes raided Khark Island and six Iranian military camps.

Sudan: SPLA Offensive in Bahr al Ghazal

The Sudanese People's Liberation Army (SPLA) captured Yirol 27 December and is currently moving toward Rumbek, the clandestine SPLA radio announced.

Pakistan-DRA

Pakistan has received information about the withdrawal of foreign troops from Afghanistan, a Pakistani Foreign Office spokesman revealed in a statement reported by Karachi radio. The spokesman was commenting on U.S. press reports that the DRA submitted a timetable for the withdrawal of Soviet troops during the latest round of UN-sponsored talks in Geneva.

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'Arafat Says Syria Attempting To Split Jordan, PLO

NC021647 Paris AFP in English 1632 GMT 2 Jan 86

[Excerpts] Tunis, Jan 2 (AFP) — Syria's objective in renewing good relations with Jordan is to provoke a split between Amman and the Palestine Liberation Organisation, PLO leader Yasir 'Arafat said in an interview with newspapers here today.

Mr. 'Arafat told Tunisian dailies *AL-SABAH* and *AL-FAJR* that the Syrian "objective" in its rapprochement with Amman also went "beyond Jordano-Palestinian relations and was aimed at Jordan's relations with Egypt and Iraq".

He said Jordanian and Palestinian leaders were in "constant contact and firmly committed to respecting the Jordano-Palestinian accord".

He implied that only current ill health was preventing him going to Amman himself. He would be going there "very soon", he said.

Mr. 'Arafat said that Palestinian leaders wanted reconciliation with Syria but it would have to be based on "Syrian respect for the independence of Palestinian decision-making on the basis of recognition of the legitimacy of the PLO leadership."

Syria Reportedly Seeking Rapprochement With PLO

NC021856 Cairo Domestic Service in Arabic 1830 GMT 2 Jan 86

[Text] Hani al-Hasan, political adviser to PLO Executive Committee Chairman Yasir 'Arafat, said today that the PLO is studying a Syrian proposal for reconciliation. Al-Hasan said that Salah Khalaf, better known as Abu Iyad, had recently met with a Syrian leader, whose name was not disclosed, and that the latter had proposed reconciliation between Syria and the PLO.

Al-Hasan added that the Jordanian-Syrian rapprochement would not affect the Jordanian-Palestinian agreement to convene an inernational Middle East peace conference.

Salah Khalaf Denies Meeting Syrian Officials

LD031031 Kuwait KUNA in Arabic 0843 GMT 3 Jan 86

[Text] Kuwait, 3 Jan (KUNA) — Member of the Fatah Central Committee Salah Khalaf, alias Abu Iyad, today denied that he has recently had talks with any Syrian officials. He told KUNA that "he has had no meeting with any responsible Syrian official for a long time."

Abu Iyad was thus replying to statements attributed to Hani al-Hasan, Fatah Central Committee member and political adviser to PLO Executive Committee Chairman Yasir 'Arafat, in which he was quoted as saying that a Palestinian-Syrian meeting took place in Paris recently between Salah Khalaf, himself, and the brother of the Syrian president, Rif'at al-Asad. Salah Khalaf expressed his belief that such statements "cannot serve any future relations with Syria."

With regard to the Rome and Vienna airport incidents and the American-Israeli threats to Libya, Salah Khalaf said: "The PLO has denounced these two attacks and is generally against any terrorist action directed against innocent civilians." He said: "We have made this clear on more than once occasion, particularly in connection with the attacks on Rome and Vienna airports."

With regard to the American and Israeli provocations against Libya, he said: "These threats force us not to be neutral in any battle or aggression by the United States or Israel against the Libyan Arab country, however much we differ with it. We will place all our capabilities against such an aggression and consider ourselves in a state of mobilization to stem an attack should this take place. We mean what we say. For if we condemn minor terrorist operations, we cannot at all condone major terrorist actions against any Arab country."

In conclusion, Salah Khalaf said: "U.S. policy wants to exploit incidents such as the Rome and Vienna airports, abominable though they may be. But we do not want to see the method adopted turn out to be one of threats to the countries and attempts at international acts of piracy and international terrorism."

PLO Official Links 'Abu Nidal' With Arab Intelligence

LD031338 Kuwait KUNA in English 1204 GMT 3 Jan 86

[Text] Paris, Jan 3 (KUNA) — The Palestine Liberation Organisation (PLO) representative in Paris, Ibrahim al-Sus, denied the organisation's involvement in terrorist acts perpetrated in Europe and reiterated the accusations, voiced by the PLO chairman Yasir 'Arafat, that the dissident Abu Nidal [Sabri al-Banna] group was working closely with intelligence services of some Arab countries.

In an interview with *LE MATIN* daily newspaper Friday, Al-Sus said that there was nothing new in the fact that some Arab intelligence services were working against the PLO and the interests of the Palestinian people.

According to him, the Abu Nidal group is also infiltrated by the Israeli secret service, the Mosad. How else to explain that Abu Nidal has killed more Palestinian representatives all over the world than Israel, he asked.

Questioned about what *LE MATIN* claimed was the "isolation" of the PLO after the affair of the *Achille Lauro* and terrorist attacks in Rome and Vienna, Al-Sus said that the PLO was the "legitimate government in exile of the Palestinian people" and that it could not be held responsible for acts carried out by groups not under its control. Al-Sus accused Americans and Israelis of manipulating some services to tarnish the image of the PLO and endanger the Jordanian Palestinian accord and the Middle-East peace process.

"It is clear that in its attempt to get the PLO involved in the crimes perpetrated in Rome and Vienna, Israel does not want that organisation to be associated to any kind of 'just and lasting' peace process", he said, adding "the Israelis want a peace imposed on their conditions".

Referring to the recent anti-terrorist accord signed between the PLO and Greece, Al-Sus indicated that it was the "logical continuation of the friendship binding us to Greece and also to other countires with which we have unofficial accords of the same type".

The PLO representative further precised that it was an accord to fight terrorist acts, including those carried out by Israel, such as the Sabra and Shatila massacres and the raid on the PLO headquarters in Tunis, and terrorist action by some Palestinian groups working for some Arab states.

Force 17 Claims Murder of Israeli Taxi Driver

NC031420 Paris AFP in English 1350 GMT 3 Jan 86

[Text] Beirut, Jan 3 (AFP) — Force 17, a Palestine Liberation Organization (PLO) group, today claimed responsibility for the murder last night of a taxi driver near Tel Aviv, who it alleged was an Israeli secret agent.

An anonymous telephone caller to a foreign news agency here said a commando named after 'Ali Zaybak, one of 70 victims of the October 1 Israeli air raid on the PLO headquarters in Tunis, had killed the taxi driver.

The body of a 42-year-old taxi driver with a bullet through the head was found last night near Lod on the Tel Aviv-Jerusalem road, near where another Israeli driver was knifed and seriously injured by an Arab passenger Tuesday.

Police said the murdered driver had no known criminal links and they were treating the killing as an act of terrorism. The caller claimed he was a member of the Israeli intelligence services Mossad. [Sentence as received]

In a separate development, Israeli police said a bomb went off without causing damage in Ramat-Gan, near Tel Aviv.

These and other recent attacks led Israeli newspapers to predict a new spate of terrorism in Israel. They noted that today is the 21st anniversary of Fatah, the main PLO group.

Senior Israeli officers have said that two Palestinian gangs specialising in knifings were currently operating on the roads and in built-up areas.

At least 10 hitch-hiking soldiers have been knifed in the Tel Aviv area recently and the Army has warned soldiers against accepting lifts.

The officers said the gangs belong to Force 17, originally Mr. 'Arafat's personal bodyguard group, which claimed responsibility between September and October for several murders of Israeli civilians.

Salah Khalaf Discusses Lebanon, USSR Relations

GF020944 Kuwait AL-QABAS in Arabic 31 Dec 85 p 7

[Interview with Fatah Central Committee member Salah Khalaf, identified by his nom de guerre Abu Iyad, by *AL-QABAS* chief editor Muhammad Jasim al-Saqr in Kuwait — date not given]

[Text] [No question as published] Abu Iyad said: There has been no crisis between us and the Soviets that is impossible to resolve. We have had acute differences on certain occasions and have agreed on some other occasions. Before the 1982 war, we had strong contacts with the Soviet comrades based on clear principles. When we passed along information concerning a war they said they could offer us any kind of aid through Syria. Consequently, the war occurred but there was no concrete aid as we had expected. Perhaps we knew that the Soviets could not interfere unless they were requested to do so by the legitimate president of Lebanon and unless there was an aggression against Syrian territory. Some tried to exploit the crisis which we faced during the 3-month siege. Some asked where our Soviet friends were during that period. We also asked about the Soviet Union during the siege, but we did not expect it to bring its fleets and interfere directly.

After the 1982 war, a meeting was held between Abu 'Ammar [Yasir 'Arafat] and Yuriy Andropov in Moscow. I think that meeting was not successful in some of the issues discussed. This was the beginning of the crisis. Then there was the U.S. President's plan. The United States proposed several plans and the Soviets wanted a clear and acute position toward them. After that, a split occurred within Fatah. As a matter of fact, the Soviet Union adopted a positive position toward this split and supported us. After the split, the Soviet Union invited a Fatah Central Committee delegation to visit Moscow and I led that delegation. At that time, Moscow did not cancel the invitation due to the split. On the contrary, they honored the invitation. I visited Moscow from Damascus and we held successful talks. They even allowed us to speak over the Soviet media about the split and they said that the trends of the dissidents were useless and did not contain anything for the future.

During the acute crisis between us and Syria, the Soviet Union exerted efforts to prevent this issue from becoming estrangement. Comrades Aliyev, member of the CPSU Central Committee Politburo, and Brutents, deputy chief of the International Department of the CPSU Central Committee, were the most distinguished figures who spoke about a Soviet mediation between the PLO and Syria, but, because of many considerations, this mediation did not succeed. The failure might have been due to the fact that the Soviets spoke to us sharply about Syria. I think that they also spoke sharply to Syria when they talked about us. The Soviet Union wanted to play the role of a mediator. It considers Palestinian-Syrian relations as strong and intimate, because these relations represent the cornerstone of any Arab solidarity. This was their view.

After that, the split changed from a political position into fighting in Al-Biqa'. The Soviets were not pleased with the fighting nor were they pleased with Abu 'Ammar going to Tripoli. This also was another point of difference. However, the Soviets exerted

great efforts in Tripoli to ensure the safety of the troops and the safety of Abu 'Ammar personally. We might have issued statements during that period intentionally or unintentionally that harmed us.

The third point concerning the crisis of relations with the Soviet Union was the first visit by Abu 'Ammar to Cairo, especially as it was not made with the concensus of the PLO Central Committee. his visit seemed to be unilateral as it was not decided on by the Central Committee or the Executive Committee. At that time, Palestinian organizations, especially the PFLP, considered it a factor in the disintegration of the national unity and divisions on the Palestinian arena. To be specific, Comrade George Habash, PFLP secretary general, strongly opposed this visit and considered it a move toward entry into Camp David and a peaceful solution. However, we held dialogues with the PFLP, the Democratic Front for the Liberation of Palestine [DFLP], and the Palestinian Communist Party within the framework of the Aden and Algiers agreements.

Indeed, the Soviet Union was positively pushing for fruitful results for these dialogues so that we would all adopt the same stand. The Soviet Union exerted direct and indirect efforts to make these dialogues successful and produce the signing of this agreement. What happened afterward? The Soviet Union wanted us to defer the convening of the PNC in Amman despite the fact that we had exhausted all means to convene it in Algiers so that all the sides who had participated in the Aden dialogue could attend. We did not mind participation by others including the Fatah dissidents in order to facilitate the dialogue process and the aftermath.

The Soviet comrades tried to impose a ban on or express their views on the convening of the PNC in Amman. In fact, we had a clear interest in that as we had exhausted all efforts to implement the Aden and Algiers agreements. However, at that time the PFLP was obdurant and was supported by the DFLP in its obstinacy, which forced us to make the difficult decision to convene the PNC anywhere. We visited all the Arab world and indeed Jordan adopted an excellent stand at that time. We needed to convene the PNC and we convened it.

The crisis with the Soviet comrades developed. For the first time they did not attend a PNC session. Neither the Soviet Union nor any of the socialist countries — except Romania — sent a delegation to the PNC session. I can say that the Soviet comrades did not announce that they did not recognize the results of the 17th session of the PNC. In all their references they adhered to the 16th session in Algiers. However, visits, discussions, and meetings did not stop, especially with the Fatah Central Committee. During the crisis, a Central Committee delegation officially visited the Soviet Union twice. Abu al-Lutf [Faruq Qaddumi] visited the Soviet Union two or three times and Abu Mazin [Mahmud 'Abbas] did the same. Special invitations were also extended to me two or three times.

Visits have not stopped and have taken place at various interspersed dates. The Soviets greatly appreciated the unity of the Central Committee. Therefore, the crisis continued amid discussions. Estrangement did not exist except with Brother Abu 'Ammar. Even their media tried to ignore mentioning him. However, Abu 'Ammar's meetings continued — only through ambassadors. Messages did not cease either. Recently, a number of developments have occurred to the Soviet stand. For example in August some developments occurred because the Soviets publically adopted a negative stand on the Amman agreement. All their objections to the Amman agreement concerned the two fundamental concessions: "an independent state" and "an independent delegation."

But most important was their concern that there was an illusion inside the PLO leadership that the Americans could facilitate the settlement operation and also facilitate the operation of marketing the Palestinian national rights with Israel, and that would possibly lead to a unilateral deal, unilateral solution, or direct negotiations. That means their concern over the results of the agreement was far greater than over its details.

The Soviets have expressed their concern on more than one occasion. Abu al-Lutf visited Moscow in April or perhaps May and explained to them the conditions of the agreement and other conditions although he had reservations about the agreement. This visit lowered the tone of the opposition against some of the PLO stances, but it did not alter their principled stand toward the Amman agreement.

I visited the USSR last August, and they were very concerned about the meetings of the Casablanca summit and actually criticized them.

I informed them of the resolutions, especially as it was the first time that an Arab summit announced that a solution could be achieved through negotiations within a conference to be attended by the USSR and the United States. It was the first time that an international conference was mentioned, and both superpowers specifically referred to in this decision. The Soviets noticed that the working paper which we presented included Palestinian constant views, and that the stance of our delegation was solid regarding the international conference and the Amman agreement, which is a sort of dynamism.

The Fes resolutions were not a goal in themselves. All these matters merely convinced the Soviets that the rumors and reports saying that the Palestinians or the PLO had moved in the direction of a separate settlement and that the Jordanian-Palestinian agreement had opened the doors of the United States to the PLO were not true.

Of course, they had not bet on that even once, but they became more and more assured after the Casablanca summit. Something of a positive development was achieved. Following the Amman agreement and after the misunderstandings to which I referred, the aggression against Tunisia took place. The raid on Tunis was a blow aimed at the credibility of the PLO and its stands, and it was especially directed at Abu 'Ammar personally. Coincidently, at that time there was a message from the Soviet Union to brother Abu 'Ammar which coincided with the raid on Tunis. The Soviets were convinced that the raid was blessed by the Americans. The raid on Tunis also coincided with the kidnapping of the three Soviets and our stand toward this crisis, especially that of Abu 'Ammar, despite the fact that there were attempts to accuse him of personally kidnapping them. But the operations rooms which

we set up in Tunis, Amman, Beirut, and Baghdad, and the contacts made by the Fatah Central Committee, as well as those made by Abu 'Ammar as the chairman of the PLO Executive Committee, showed the Soviets how much effort we made to free the three Soviets after the fourth had been killed. The statements we issued confirmed to them that we were not behind the issue, but were actually the side which made the first and main effort to free them. This was the third factor in reactivating the relationship.

The fourth factor was their follow-up of our stand regarding their opposition to a Jordanian delegation which included Palestinians and our rejection of this opposition and adherence to our constant stands. In addition, they felt that the Jordanian-Palestinian agreement had actually reached a deadlock due to U.S. intentions and of course the Israeli intransigence and arrogance with which this agreement was faced.

All these things, together with developments in the region, were factors.

The USSR is also closely examining the Jordanian-Syrian meeting and its expanding to include some Arab parties. Therefore, these new exhanges were represented by the meeting between Polyakov and Abu 'Ammar in Baghdad. This was perhaps the first official meeting between Abu 'Ammar and the Soviets which was not conducted at the ambassadorial level. It was a direct contact with an official from Moscow holding a high position at the Soviet Foreign Ministry.

The meeting was frank. Abu 'Ammar explained the Arab situation which besieges us everywhere, and how the Arab situation has affected our political moves. He explained that some tactical steps had been made, and some flexibility shown to confront the Arab pressure and the Arab siege. I do not say that the Soviet comrades were convinced by the talk, because they have a theory that they are not against tactics and flexibility, but are against the predomination of such tactics and flexibility over strategy, in a manner that does not allow this political stance to result in the domination of tactics over strategy, thus taking the stand at the expense of principles.

Yet I believe they at least understood the background of the intentions concerning the attitudes adopted by the PLO and that they were sure that we had no illusions about the U.S. stand concerning the cause of our people and the PLO. I also believe that they were sure that the United States was unable -- in light of the existing balance of forces in the Arab world -- to make any effort in favor of a national, just, and comprehensive settlement in the area. They believed that the United States was driving the region into accepting the Camp David plan and the Camp David style and that there was no U.S. attitude, only an Israeli attitude expressed by the United States.

The Soviet comrades heard all of this through our analyses and meetings, especially during a meeting with Comrade Polyakov in Moscow. All of these exchanges resulted in an invitation to a Palestinian delegation led by Abu al-Lutf head of the PLO Political Department, to visit Moscow on 7 January 1986.

During my prolonged meeting with Karen Brutents, deputy chief of the International Department of the CPSU Central Committee, we clarified the issues and I informed him that during the Baghdad meetings we assessed the events of the previous stage. I explained the circumstances of the political, military, financial, and propaganda siege imposed on the PLO. I told him that the siege sometimes required the PLO to adopt certain stands. For instance, the Amman agreement was faced in March, less than a month after being signed, by Murphy's rejection. The Amman agreement ended following his rejection. In my view, Jordan now believes that the agreement is no longer suitable for marketing within the PLO. This is according to the statements made continuously by the Jordanians saying: No to Israel, no to the United States, and no even to some European countries.

Thus, the Amman agreement collided with Murphy's first and second proposals and was dealt an open blow at the London meeting when it became clear that there were requests for concessions. In my opinion, and we said this at the time, King Husayn was wrong when he announced his support for the British stand and for all the justifications made, after which the Thatcher government nearly collapsed.

In the final count, we do not care whether Thatcher fails or succeeds. What is important is our position in the view of the British people. In other words, Britain has made a basic contribution to the disaster of the Palestinian people and to their tragedy. To date, Britain has not rectified its historical fault, which began with the Balfour Declaration. On the contrary, a more intransigent attitude has developed. Whenever a British Government is formed, instead of developing a positive attitude toward our cause, it brings more harm.

Of course this was obvious to the Soviets, too. This was our view and our assessment of the previous phase.

It is true that there were flexibility and tactics and it is also true that such flexibility and tactics sometimes went beyond their original points. However, the position remained solid in some steps, considering the flexibility of the phase, and the attitude was not at the expense of the cause. The attitude was firm in its principles. This firmness proved itself in Murphy's proposal, as I said, and in Thatcher's proposal to the Palestinian delegation visiting London.

This picture has become clear. There was Arab pressure at the beginning to drive the PLO to accept the Jordanian-Palestinian agreement. As soon as the agreement was signed, the Arab attitude was to abandon support for the PLO's acceptance of a meeting with the United States. This arouses wonder.

We explained to him our assessment of relations with Syria. Through meetings with Syrian officials, we adopted a new stand -- not for the first time, but for the fiftieth time. We stopped propaganda campaigns, even if they did not stop theirs in return. At any rate, concerning statements connected with Syria's attitude in its conflict with the Zionist enemy, or in any conflict, we stand between Syria and Israel or the United States. We are partial to the Syrian stand or any Arab stand that is against Israel and the United States.

Concerning Lebanon, we will not oppose any Lebanese agreement that does not harm the Palestinian camps. On the contrary, we will adopt a positive attitude toward its implementation, on the condition that there actually is a solution that is not at the expense of the camps.

We object to Hubayqah's reception in Damascus. Our attitude is this: The man classified himself as an Israeli spy through his direct responsibility for the Sabra and Shatila massacres, together with the Israelis, of course. We do not exonorate the Israelis of responsibility for the massacre. However, he was one of the tools Israel used in the massacre. Despite our objection to his reception in Damascus, we put our stand on record concerning him, but we will not oppose any comprehensive solution for the Lebanese people. On the contrary, we will support it, provided it is not at the expense of our camps.

These are three points concerning the issue with Syria. In connection with the Jordanian-Palestinian agreement, where is the solution? The solution in my view, and as we told them, is to move toward Palestinian national unity. We are sincere in this and so we have told them. Such unity is based on anti-Zionist and anti-imperialist foundations. This is inevitable, because there can be no other foundations for national unity.

The second point is to escalate armed struggle despite the absence of an Arab military option, and despite all of the difficulties we have in making contact with our people inside the occupied territories. However, these people have escalated the armed struggle by themselves. Certainly we will escalate our operations to the utmost of our capabilities. This is what we possess as Palestinians — Palestinian national unity and escalation of armed struggle.

Concerning Arab relations, we are seeking to achieve Arab solidarity and to keep the Arab situation solid through the exertion of all possible efforts to halt this insane war between Iraq and Iran. We also seek to open new prospects with Syria. We do not stand in supplication at Syria's door or at the door of any Arab regime. Still, we make all possible efforts to open an extensive dialogue with Syria and with other regimes if they so desire. The Soviet official was pleased with this program. He said: This is a good and positive program. They told us that they would complete the program during their meetings with Abu al-Lutf in Moscow on 7 January.

I can say that we are on the threshold of resolving the Soviet-Palestinian crisis. The crisis did not reach the stage of severing relations or closing doors. I have heard a statement from Comrade Brutents, which I allow myself to repeat: "Moscow's door was never closed to Yasir 'Arafat and will never be closed." He also said: "Our assessment of Yasir 'Arafat is that he is a nationalist. However, we differ with him on some points which affect the strategy of Palestinian action. Still, in general, we are friends and know that Yasir 'Arafat is a Palestinian and Arab leader. He has an international standing with us and with other countries." Brutents stated this with amity. In short, I consider our meeting as continuing the normalization of relations in a good and positive manner.

[Al-Saqr] What about current relations with Jordan? Is there pressure on King Husayn?

[Khalaf] We were in Casablanca when the committee in charge of clearing the Arab atmosphere was formed. We do not have a dual policy. We do not accept something then reject it. However, we were apprehensive of this meeting when we learned about the Syrian conditions set for the meeting. This forces us to adopt a reserved and observant position toward the meeting. The Jordanians, of course, say that there are no conditions. The Syrians say that there are conditions. We are sure that there are conditions, because our sources talked about them. What really causes apprehension is the feeling that the Jordanian-Syrian meeting could be at the expense of the PLO or that the PLO might withdraw its confidence from 'Arafat. This is the matter that concerns us. Another matter that concerns us is the feeling that this relationship could be at the expense of Jordan's position toward the Iraqi-Iranian war. If the meeting is neither at the expense of the PLO nor Jordan's position toward the Iraqi-Iranian war, we would regard it positive and good. However, available information proves the opposite. That is why we are reserved and observant and why we wait. I do not believe that either Syria's interest or Jordan's interest lies in severing its relations with the PLO or in intensifying Jordanian-Palestinian relations.

[Al-Saqr] Is there a thaw in Syrian-Palestinian relations?

[Khalaf] I do not say that there is a thaw, but there are meetings. I hope that these meetings lead to a thaw and to the restoration of relations. At this very moment I cannot say that there is such a thaw.

[Al-Saqr] What about the establishment of a government in exile?

[Khalaf] There was, a while ago, a Moroccan proposal to form a temporary government or a government in exile, so that it could adopt a platform accepted by most of the foreign countries. Frankly speaking, I would say that the issue of a temporary government is not subject to discussion. We refuse the timing for launching such a government. The idea is that there is not a revolution, liberation organization, or liberation movement in the world that does not look forward to forming a government in one of the stages of its struggle. However, this only takes place when the fruits of victory become ripe. It needs a land to be the headquarters of the government. We have a liberation organization that can do whatever the government in exile or the temporary government can do. The proclamation of the government at this time was unanimously rejected.

[Al-Saqr] Will there be contacts with the Lebanese Government after the signing of the agreement pertaining to the camps?

[Khalaf] I believe it is too early to discuss the subject because the agreement must first be successful and take hold. This stems from our experience in Lebanon and from the quicksand on which the current situation is based. The situation reflects guarded optimism. If a strong Lebanese Government comes into existence and does not fall under pressure, then this is likely.

[Al-Saqr] What about the Palestinian passport?

[Khalaf] At one stage and in view of some Arab countries' intransigence concerning the renewal of Palestinian travel documents, particularly in Lebanon, we thought of issuing a travel document or a Palestinian passport recognized by Arab countries. The national committees we formed and even some of the Arabs told us that some Arabs would encourage the issuing of passports but they would not give it any value or importance. This could be a means to withdraw the document without recognizing the passport. That is why we adjourned discussion of this issue, until the Arab League allows the passport, in which case it will be respected and have guarantees.

[Al-Saqr] Are there certain measures against the factions that are not committed to the Cairo Declaration?

[Khalaf] We have only political measures and political positions. We have no right to bring others to account. We tell countries that instigate these groups that they should have a position in the Arab world toward terrorism because we believe that the position toward terrorism should be uniform.

PLO Officials Speak at Fatah Anniversary Celebrations

JN021211 Amman SAWT AL-SHA'B in Arabic 2 Jan 86 pp 1, 14

[By Therese Haddad]

[Excerpts] Amman — The celebrations marking the 21st anniversary of the Palestine National Liberation Movement, Fatah, began yesterday with a big political symposium held in the Martyr Fahd al-Qawasimi's Hall at the PLO office. A number of speeches were delivered at this symposium which reviewed the Fatah Movement's militant march as well as the Palestinian revolution's achievements under the PLO on the road to regaining the Palestinian people's legitimate rights to their territory and future. The speakers condemned the U.S. policy that supports the Zionist entity in its aggression against the Palestinian people. They asserted that the Palestinian revolution will continue until the occupied Palestinian territory and usurped rights are regained. They also asserted that while supporting peace, the revolution will not surrender to the Zionist aggression and racism.

The first speaker at the symposium was PNC Speaker His Eminence Shaykh 'Abd al-Hamid al-Sa'ih who asserted that the Palestinian revolution supports the just peace that regains the Palestinian people's rights and saves the region from destruction. However, the revolution rejects that the Palestinian people become the victims of peace. He said that the Palestinian people have their own history and culture which will not disappear and that these people are determined to hold on to their history, culture, stability, and sanctities, adding that while the Palestinian people call for peace they refuse to surrender and will only kneel before God.

His Eminence Shaykh al-Sa'ih said that the revolution will remain committed to its principles and that its sons have pledged to continue proceeding on the path of struggle, in all its forms and in all its arenas, until victory is achieved. He referred to PLO Executive Committee Chairman Yasir 'Arafat's remarks before the United Nations that the Palestinian carries the rifle of struggle in one hand and the olive branch in the other. We will talk with those who want to talk to us and we will let the rifle deal with those who want to deal with us that way.

Hani al-Hasan, Fatah Central Committee member and PLO Executive Committee chairman's political adviser, said that with the start of the resistance movement in the 1960's, our course was written and our objective was set. This is the liberation of the usurped territory and the establishment of a Palestinian national authority in the West Bank and Gaza Strip.

Al-Hasan explained that the establishment of a Palestinian state — the authority — will not take place unless three elements are available: The first is the leading organization — the PLO. The second element is maintaining the alliances, particularly with the socialist countries, foremost being the Soviet Union, which confront and clash with imperialism that is allied to our enemy. The thrid element, which is the most important, and is basic for the establishment of Palestinian state is the emergence of an international crisis through which the conflict will be escalated. This will eventually result in a change in the political maps of territories. He explained: We want an international conference so that recognition of the Palestinian territory will be regained. Without this conference the Palestinian flag will not be raised on the Palestinian territory.

The Jordanian-Palestinian agreement came on this basis and constitutes a strategic move that presents to the international community our one Jordanian-Palestinian desire for bringing about a just peace in the Middle East through the exchange of land for peace. He said: What we, Jordanian and Palestinians, have done in 1985, is to realize that the Arabs could no longer shoulder their responsibilities vis-a-vis the Zionist aggression, therefore we both decided to shoulder our pan-Arab responsibility.

He pointed out that the Jordanian- Palestinian concord represented by the February agreement was not new to us because our cohesion has been clear since the first Jordanian-Palestinian epic in the Al-Karamah battle when Palestinian and Jordanian blood mixed while confronting the Israeli enemy and together we erased the slogan of the undefeatable army.

During his review of the Palestinian revolution's achievements since 1985, Hani al-Hasan said: We obtained international recognition of our rights and were wholeheartedly accepted by the broadest spectrum of the entire world represented by the United Nations. Hence, the Palestinian figure took its position in the international formula, which is the formula of regaining our rights.

The symposium was attended by an audience of about 5,000 including a number of Arab and foreign ambassadors.

Sa'id Musa Muragha on Ties With Syria, Iran

GF311432 Abu Dhabi AL-ITTIHAD in Arabic 30 Dec 85 p 8

[Interview with Sa'id Musa Muragha, identified by his nom de guerre Abu Musa, secretary of the provisional command of the Fatah dissident movement, by *AL-ITTIHAD* correspondent Taha al-Nu'man — date and place not given]

[Excerpt] *AL-ITTIHAD*: Now that the Jordanian-Syrian rapprochement has become a fact, how do you view this rapprochement? Do you think that it serves the cause of Palestinian national unity and opens the way for a just and comprehensive solution of the Palestinian question?

Abu Musa: No doubt we have our allies on the Arab arena. However, it does not necessarily follow that we should be in total agreement with them on all stands. Every now and then differences arise. With regard to Jordan, we believe that it is "working to impose a capitulatory settlement on our people and revolution, and is forging ever closer relations with the United States."

As to our brothers in Syria, they have their special tactics. We are not necessarily in agreement with them on this matter, although we agree with them on numerous important and essential issues. In addition, the brothers in Syria know the limits of the relationship with Jordan. For this reason, and through our dialogues with them, we do not expect this relationship to last long.

In this context, we must be able to differentiate between differences of views and a contradiction. A contradiction is the phenomenon that governs our relationship with the Arab regimes that are friendly with the United States, while differences of views arise now and then between us and nationalist Arab countries and the forces which are friendly to our cause and people.

AL-ITTIHAD: You recently visited Tehran. This visit was regarded as a "stand" and a new relationship with Iran, although Iran is at war with an Arab country — Iraq. Will you explain this visit? And by the way, what is your assessment of the Iraq-Iran war?

Abu Musa: First, I would like to affirm that we constantly call for ending the Iraq-Iran war. This unjust war must end, since it harms our Palestinian cause and causes great human and material losses to the two fraternal peoples in Iraq and Iran. We do not support the continuation of the war. As for my visit to Iran, the purpose behind it was to consult with the Iranian brothers on the issue of the Sabra and Shatila camps and the fighting in the camps. We discussed the possibility of extending aid to rebuild these camps, particularly as a large segment of our people were driven from their homes and experienced cruel and difficult circumstances. The brothers, the Iranian officials, showed a clear understanding of this issue and asserted their support for the Palestinian revolution in confrontation of the Zionist enemy and in order to foil "the policy of revisionism and deviation."

We expressed our opinion on the war to the Iranian brothers and hinted at the need to halt it in order to stop the shedding of Muslim blood and save energy for the primary national and Islamic cause — the Palestinian cause.

AL-ITTIHAD: We have heard that new splits have taken place within your ranks, and that Nimr Salih — "Abu Salih," and Samih Abu Kuway — 'Qadri," have left you, and that your movement is suffering a state of dispersion and divisions. How true are these reports?

Abu Musa: Like any other political movement that experiences difficult and complex circumstances, there have been disagreements on some issues. One aspect of the problem reflects a failure to understand the nature of the revolution and the importance of its continuing to follow a new policy that is different from the policy that previously prevailed. This faulty understanding appeared among a limited number of brothers within the leadership. They are specifically Brother Abu Salih — "Nimr Salih," and brother Qadri — "Samih Abu Kuwayk." This led to a resolution in which brother Abu Salih was asked to suspend his activities. As for brother Qadri, he has withdrawn from all activities.

By the way, this a usual issue. Similar things take place in all Palestinian political organizations, and no uproar is made about them, as happens when something of the sort occurs within "the Fatah movement." Our interpretation is that we are first, the major chapter in the Palestinian revolution, and second we represent a project to establish the Palestinian national situation on new foundations, which is something that many people, Arabs and Palestinians, do not like.

DFLP Claims 3 Jan Explosion in Tel Aviv

JN031022 Paris Radio Monte Carlo in Arabic 1000 GMT 3 Jan 86

[Text] A spokesman of the Democratic Front for the Liberation of Palestine [DFLP] forces operating inside the occupied territory has said that one of the underground groups this morning blew up a station for transferring Israeli soldiers near Tel Aviv. The group used hand grenades in the operation, which resulted in a number of casualties, the spokesman added.

Israeli sources said that a bomb of medium strength exploded on a Tel Aviv street today, slightly injuring one person. The Israeli authorities arrested 10 Arabs for interrogation.

PLO Radio Details Military Operations 2 Jan

JN021804 Baghdad Voice of PLO in Arabic 1647 GMT 2 Jan 86

[Text] A military spokesman for the Palestinian revolution forces general command has stated the following:

One of our groups of fighters used katyusha rockets to shell the Zionist Qiryat Shemona settlement in northern occupied Palestine this morning. The settlement sustained direct hits, huge fires resulted, a number of Zionist vehicles were damaged or destroyed, and several enemy elements were either killed or wounded. It is a revolution until victory.

[Signed] The Palestinian revolution forces general command

The Zionist enemy radio admitted the shelling but did not mention any loss or damage. It merely said that the rockets hit the targets accurately.

The military spokesman for the Palestinian revolution forces general command has also stated the following:

Upon the revolution command's instructions, our heroic revolutionaries operating inside the occupied homeland have continued to escalate their various struggle operations [words indistinct]

The following are the details of these operations:

1. One of our groups of fighters managed to plant timed, explosive charges inside the Zionist forces command, which controls the West Bank, in north occupied Jerusalem. The site sustained grave material damage, a number of military vehicles were damaged, and several enemy elements were either killed or wounded.

2. Our heroic revolutionaries used rockets to shell a number of Zionist settlements and installations in southern occupied Palestine. The Zionist settlements and installations sustained massive damage and Zionist elements were either killed or wounded.

3. One of our groups of fighters used machineguns and hand grenades to attack the headquarters of the Zionist military governor in occupied Gaza Strip. The headquarters sustained grave material damage and several enemy soldiers were either killed or wounded.

4. One of our groups of fighters managed to plant high explosive incendiary charges in a Zionist bus station in occupied Jerusalem. A large number of Zionist buses were destroyed or burned, several enemy elements were either killed or wounded, and the station sustained great material damage.

5. One of our groups of fighters used machineguns and hand grenades to attack a Zionist military vehicle on the Tel Aviv-Jerusalem road. The vehicle was damaged and all of its occupants were either killed or wounded.

Immediately afterward, a large number of soldiers policemen, and so-called border guards rushed to the scenes of operations, closed all roads leading to these areas, carried out an intensive search, and arrested a large number of Palestinian citizens. Our revolutionaries managed to withdraw with complete success. It is a revolution until victory.

[Signed] The Palestinian revolution forces general command

The Zionist enemy radio admitted these operations but, as usual, did not disclose any losses.

OPEC Committee To Meet 3 Feb Instead of 20 Jan
JN311145 Baghdad INA in Arabic 1045 GMT
31 Dec 85

[Excerpt] Vienna, 31 Dec (INA) — Oil sources at the OPEC headquarters in Vienna have stated that the six-member committee that was formed by the recent ministerial conference will meet in Vienna on 3 February instead of 20 January. The sources told the INA correspondent here today that the committee willdiscuss the state of affairs on the oil market and the measures that may be taken to preserve the OPEC countries' share of the world oil market. The sources said that oil experts from the 13 OPEC countries will meet at the end of Janaury to prepare for the committee meeting.

The sources explained that OPEC might hold an extraordinary conference in February to discuss the state of affairs on the oil market in light of OPEC's recent decision to maintain the production ceiling at 16 million barrels per day.

INTRA-GULF AFFAIRS

GCC May Cut Aid to Africans With Ties to Israel

LD281031 Kuwait KUNA in English 0903 GMT 28 Dec 85

[Text] Kuwait, Dec 28 (KUNA) — A Kuwaiti local daily Saturday said the six Gulf Cooperation Council (GCC) members were contemplating the possibility of halting financial aid to African countries that have restored diplomatic relations with Israel.

AL-RA'Y AL-'AMM newspaper, quoting what it described as reliable sources, said the issue would be discussed when foreign ministers of Islamic states meet in Morocco in January.

If the trend was approved, the GCC countries would stop all aid the development funds in the region used to extend to those African states.

Several African countries broke relations with Israel after the 1973 Arab-Israeli war. Only Zaire, Liberia and lately the Ivory Coast have backed down and revived ties with the Zionist state.

The paper further said the Palestine Liberation Organization will ask the Islamic foreign ministers' conference in Fes that the Islamic world freeze ties with those African countries.

BAHRAIN

AKHBAR AL-KHALIJ on 'War of Words' Against Libya

GF021752 Manama WAKH in English 1545 GMT 2 Jan 86

[Text] Manama, Jan 2 (WAKH) — Commenting on the war of words carried out by Israeli and U.S. officials against Libya. [sentence as received]

The Bahraini newspaper *AKHBAR AL-KHALIJ* stressed that it is a way of distracting attention from the organised terrorism which the Zionist occupation practices against the Palestinian people.

The paper went on to say "the misleading campaign made by Israel against PLO calling it the orgin of terrorism must meet with great success in the western media."

The paper attributed this to the success of the Zionists and U.S. in blocking Arab attempts to defend its views and disclose reality.

KUWAIT

UN Envoy Criticizes U.S. Role in United Nations

LD031818 Kuwait KUNA in English 0837 GMT 3 Jan 86

[Text] Kuwait, Jan 3 (KUNA) — Kuwait's permanent delegate to the U.N., Muhammad Abu al-Hasan has said that the most prominent outcome of the General Assembly's 40th session was the unanimous resolution condemning terrorism in all its forms whatever the source.

In an arrival statement to reporters, Abu al-Hasan said the resolution was bolstered by a similar Security Council resolution last December 18.

The Kuwaiti envoy said the Palestinian issue and other Arab causes did not score any gains during the session, "but on the contrary, the outcome of the voting reflected some negative changes in the international attitude."

Abu al-Hasan attributed the change to the international economic circumstances and their exploitation by the U.S. for the sake of pressuring other states into changing their policies.

He also blames this on "Arab fragmentation. . and the lack of a united Arab stance on Arab causes or other vital international issues."

He said the presence of more than 90 heads of state at the session was a clear reply to the hostile activities against the world body spearheaded by some American quarters with the concealed blessing of the U.S. Government.

He said the hostile propaganda was being coupled with a five percent cut in American budgetary contributions to the U.N., now standing at 25 percent.

Abu al-Hasan said Washington was also seeking to introduce new ideas linking the voting process to budgetary contributions, similar to the system now in force at the International Monetary Fund.

The delegate urged collective cooperation to reform the U.N. and emphasized that the organization must be retained as an international forum.

OMAN

Briefs

Ministry Officials Appointed — His Majesty Sultan Qabus ibn Sa'id issued decrees appointing Sayf ibn Hamad al-Battashi under secretary to the Foreign Ministry for financial and services affairs; Haytham ibn Tariq al-Sa'id under secretary to the Foreign Ministry for political affairs, Salim ibn Isma'il ibn 'Ali Suwayd under secretary to the Ministry of National Heritage and Culture — transferring him from the Foreign Ministry — Mal Allah ibn 'Ali ibn Habib adviser to the Ministry of National Heritage and Culture, Major General Bakhit ibn Sa'id al-Shanfari under secretary to the Ministry of Environment and Water Resources for environment affairs, and 'Ali ibn Muhammad al-Jarwani under secretary to the Ministry of Environment and Water Resources for water resources affairs. [Summary] [*Muscat Domestic Service in Arabic 1300 GMT 2 Jan 86 GF*]

PDRY

Defense Minister Addresses Inauguration Ceremony

GF021749 Aden Domestic Service in Arabic 1630 GMT 2 Jan 86

[Text] Brother Brigadier General Salih Muslih Qasim, member of the Political Bureau and defense minister, today inaugurated the 1986 training program at the leadership headquarters of the naval forces. The defense minister; Brother Salih 'Ubayd Ahmad, member of the Central Committee and first deputy to the director of the Political Bureau; and a number of Armed Forces leaders attended the speech rally and military parade held on this occasion.

During his guidance address, the defense minister expressed his deepest satisfaction over the positive results and huge successes achieved by our Armed Forces during 1985, in the various fields of their military building process and combat and political preparations. He also expressed satisfaction over their successful implementation of all the activities allocated to them to receive the third annual party congress. They crowned their activities by carrying out the military exercises of the 1985 shield which reflected — through its great success — the level of the continued qualitative development of our Armed Forces and their ability to carry out the defense tasks by solidly safeguarding the revolution's achievements and the country's security.

The defense minister emphasized the importance of continuing to make sincere efforts and doubling the traditional struggle to carry out the enormous tasks concerning the plans for combat and political preparations. He stressed that current successes must be used as solid platforms to achieve more successes in the training fields' honored positions. He referred to the importance of consolidating the responsibilities involved in military duty, maintaining weapons and ammunition, and securing splendid combat readiness.

He urged the Armed Forces to make 1986 a year of military discipline and consolidation. He urged them to exercise combat readiness, to effectively use modern weapons, actively apply the resolutions and results of the third annual party congress in the military field, strengthen the support of the combatants for the party, and welcome in an exemplary fashion the 15th anniversary of Armed Forces day, which the PDRY celebrates on 1 September.

SAUDI ARABIA

King Fahd Promises Temporay Oil Supply to Sudan

GF290713 Abu Dhabi WAM in Arabic 0605 GMT 29 Dec 85

[Text] Abu Dhabi, 29 Dec (WAM) — The newspaper *AL-ITTIHAD* today quotes informed sources as saying that King Fahd ibn 'Abd al-'Aziz of Saudi Arabia has agreed that Saudi Arabia will provide Sudan with its oil needs for 3 months, which amounts to 300,000 tons of petroleum, in addition to financing a wheat deal totalling $22 million, and a deal for medicaments, pesticides, and fertilizers amounting to $62 million.

The sources added that King Fahd ibn 'Abd al-'Aziz promised General 'Abd al-Rahman Siwar al-Dhahab, chairman of the Transitional Military Council in Sudan, during the latter's recent visit to Saudi Arabia, that he will do his utmost to intercede with the IMF so that it will release a $218-million loan to Sudan.

UAE

5,000 Moroccan Soldiers to 'Beef Up' Defenses

LD031011 Kuwait KUNA in English 0813 GMT 3 Jan 86

[Text] Kuwait, Jan 3 (KUNA) — Kuwaiti daily *"AL-WATAN"* Friday said Morocco and the United Arab Emirates have reached an agreement on dispatching 5,000 Moroccan soldiers to the UAE to beef-up the defenses of that Arab Gulf country.

In an Abu Dhabi-datelined dispatch, *AL-WATAN* quoted "reliable" sources as saying the Moroccan force would include many experts and trainers. The paper gave no further details.

UAE President Shaykh Zayid ibn Sultan Al-Nuhayyan visited Morocco twice last year.

Basyuni Returns to Tel Aviv 2 January
NC022104 Cairo MENA in Arabic 2050 GMT 2 Jan 86

[Text] Cairo, 2 Jan (MENA) — Minister Plenipotentiary Muhammad Basyuni, Egyptian charge d'affaires in Israel, left Cairo this evening to return to his post in Tel Aviv.

Cairo Paper Views U.S., Israeli Anti-Terrorism Plans
NC022338 Cairo MENA in Arabic 2240 GMT 2 Jan 86

[Excerpts] Cairo, 2 Jan (MENA) — In their editorials tomorrow, 3 January, the Cairo newspapers emphasize the need to fight terrorism and rid the world of the evils that have multiplied in recent years. They also warn of the dangers of unilateral action by any member of the international community in the form of retaliatory operations.

The newspaper *AL-JUMHURIYAH* discusses the subject of terrorism from the point of view of the preparations being made by the American Administration and the Israeli Government to deal a blow to the so-called terrorism centers in the Middle East. The paper says that this means that the strategic cooperation agreement between Israel and the United States is now in force and that its only goal is not peace, but rather to impose some kind of arbitrary stability on the area to suit their strategic objectives regardless of the damage caused to Arab interests in the region.

The paper warns that the maelstrom of terrorism and counter-terrorism is ever expanding with no sign of stopping. This confirms that the situation in the Middle East now rests on faulty bases harmful to the Arab people in general and the Palestinian people in particular. The situation, the paper adds, has led several Palestinian groups to despair and to resort to suicide operations with civilian targets, on a continent that played an undeniable role in the catastrophe the Palestinian people are experiencing even today.

The paper stresses that the so-called terrorism must be confronted by removing all the causes of the catastrophe and recognizing the Palestinians' legitimate rights to land and to an independent state, the same rights enjoyed by the rest of the world.

AL-AHRAM Comments on Soviet Missiles in Libya
PM021603 Cairo AL-AHRAM International Edition in Arabic 28 Dec 85 p 3

[Article by Muhammad 'Abd al-Mun'im: "The Story of the SAM-5; Missile's Objective: Defense and Attack, or Destabilization?"]

[Excerpts] Any reasonable person in the Middle East can understand that neither the United States nor the Soviet Union wants the Arabs to defeat Israel. And any reasonable person in the Middle East and in the Arab region in particular, if he thinks carefully, can also understand that the primary objective is to let the Arabs kill one another, so that the world will be spared the emergence of a new power that would affect the existing balances of power. Despite the fact that it has become quite clearly impossible for the Arabs to agree on one view and therefore impossible for such a power to come into being, plots are still being hatched against us both internally and externally. They are particularly hatched against Egypt. More often than not it is a local party that does the "dirty work" that even enemies are ashamed to carry out. This because the "enemies" are wise, while reason in our Arab area is a rarity.

The latest chapter in this human tragedy is the recent report that Libya has obtained a number of SAM-5 antiaircraft missiles. According to scientific data, the missile appeared for the first time in Moscow in 1963; it is both an antiaircraft and antimissile missile.

These missiles arrived in the Libyan port of Misratah last November and were later moved to the 'Uqbah bin Nafi' base. This took place following the vicious terrorist operation against the Egyptian plane in Athens and the subsequent tension on the Egyptian-Libyan borders, which resulted from the Libyan colonel's sick imagination and obsession that Egypt was about to launch an armed attack on the Socialist People's Libyan Arab Jamahiriyah.

Immediately after this incident, and despite the fact that everybody is aware of this Libyan craziness, Moscow shipped these serious missiles to Libya. We say serious for the simple reason that they have a 240-km range. In other words, if they are deployed on the coast they can hit any plane over the Mediterranean 240 km off of the Libyan coast (including, of course, U.S. 6th Fleet planes). Also, if they are deployed on Libya's eastern borders they can hit targets 240 km inside Egypt.

It took Moscow only a few days to ship these missiles to Libya, despite the attempts at and claims of improving relations between Moscow and Cairo. This despite the fact that Cairo was the first state to enable the Soviets to realize Lenin's dream of reaching warm waters and the Middle East, when it established close relations with it beginning in the fifties and continuing through the seventies, when they were crowned with the signing of the friendship treaty between the two countries. During that time we were in dire need of a missile of that type to use in the great liberation battle.

In other words, if we had possessed that missile in October 1973 we would have been able to cover the straits area and eastern Sinai and to strike at the Israeli planes at their bases inside Israel. The Soviet friends did not give us the weapon but instead made us pay with the blood of our children. But in the case of Libya, which they entered through us, Soviet weapons are being generously provided as long as they enable it to carry out provocations eastward toward Egypt and northword toward the U.S. presence in the Mediterranean. It does not matter if such provocations cost Libya more than it can afford.

If we were to examine the reasons that prompted Moscow to provide Libya with these missiles, we would first exclude defensive tasks because Libya is not at war with anybody. For the same reason we would exclude the likelihood of the new missile's being used in offensive operations, unless they are being provided for an attack against a country in the region. There remains the more likely possibility, which is the use of the missiles in terrorist

operations and the threatening of all planes flying in all directions outside the Libyan boundaries. The latter is the most terrifying possibility, which will escalate tension and instability in the area. Could this be what a superpower is aiming at?

Before the Moscow trumpets — which are numerous, as is evident in the fact that they created such an uproar during the U.S. war in Vietnam, but from which we hear hardly a whisper about the Soviet forces' atrocities in Afghanistan — say that it was we who refused to carry on with the Soviets and we who expelled their advisers, after we despaired of obtaining the weapons we needed from them before 1973 war, we would like to ask why the Syrian brothers did not obtain modern deterrent weapons from the Soviets, despite their close ties with Moscow and despite the fact that last November they were the target of an Israeli air attack in which they lost two MIG-23 planes, according to news agencies?

"Sophisticated" missiles in the Syrians' hands means enhancing both their offensive and defensive power so that in the case of war they can threaten all the Israeli airfields and cover all the Israeli airspace. What more can the Soviets give their Syrian allies, particularly since they do not approve of the peace process between Egypt and Israel and support Syria in its stand which is opposed to Egypt's stand? Why do the Soviets not give generously during wars between the Arabs and Israel but give very generously when there are signs of war between the Arabs themselves or, more precisely, between Egypt and Libya?

The crisis which Israel is now creating over the existence of antiaircraft missiles in Syria's Al-Zabadani area, close to Lebanon's Al-Biqa', involves a number of SAM-2, SAM-6, and SAM-8 missiles with a range of only 40-50 km. Yet Israel is objecting to these missiles and definitely planning to attack them. Indeed, last Thursday it threatened to launch large-scale attacks on civilian targets and installations in the Arab countries if Syria used these missiles. Is this not also a destabilizing factor?

Nothing has yet been said in Egypt [about the Libyan missiles], because of the realization that we do not really feel hostility toward the Libyan people or imagine that the Libyan people feel hostility toward us. Therefore, on both official and popular levels we do not imagine that for any reason war will be launched against Libya, unless "official madness" there goes so far as attacking us militarily or threatening our security. However, regardless of their actions Egypt can never deal with the Arab countries in the same way as Israel deals with them.

Nobody can imagine that President Mubarak, who knows a great deal about air warfare and was the commander of the biggest war of this kind in the Middle East, was perturbed for a moment on hearing the news of SAM-5's in Libya, because he knows the solution well and because his military machine now includes the best of those who experienced the great October experiment, because he knows first and foremost that a weapon's effectiveness depends on the man behind it and not on the weapon itself.

Moreover, on the official and popular levels here we are well aware of the superpowers' game and know if any of them is pushing a certain party toward adventures with incalculable risks and consequences, with the aim of dominating it and further entrenching itself in its territory, because we have been through this experience before and we will not subscribe to it. We wish all the parties in the area could understand this.

Only then will we find for ourselves a way out of this worldwide domination that is about to blot out our identity and even threaten our very entity.

Communique on Raids on Iranian Camps, Other Actions
JN021736 Baghdad Voice of the Masses in Arabic
1700 GMT 2 Jan 86

[Communique No 2,071 issued by the Armed Forces General Command on 2 January 1986]

[Text] In the name of God, the merciful, the compassionate. The ability of the great Iraqis and their valiant Armed Forces to confront the suspect Iranian rulers who covet our land and envy our upsurge is daily being enhanced.

The following is a roundup of activities for yesterday evening and today:

1. The zealous sons of Iraq, our brave eagles, continue to deal severe blows to the despotic clique and carry out devastating strikes against its positions and its military camps, consisting of command centers, soldiers, military facilities, military hardware, and ammunition depots. Through their daring raids and outstanding performance and unique courage, they demonstrate that Iraq possesses efficient and brave men and capabilities with which it can with God's help and the directives of the leader of victory safeguard Iraq's sovereignty and the security of its citizens, deter the aggressors, and make them pay a prohibitive price for their insistence on prolonging the war.

Our Air Force planes carried out the following heroic missions:

a. At 1102 today our planes carried out a violent raid on the Musk Camp, dealing devastating blows to their targets.

b. At 1104 today our planes dealt fierce blows to their targets in the (Baswah) camp.

c. At 1106 today our planes carried out a devastating raid against the (Qal'at Shahin) camp.

d. At 1100 today our planes dealt a devastating blow to the Khaneh camp, wiping out enemy remnants and military hardware.

e. At 1106 today our planes carried out a fierce raid on the Saqqez camp, destroying their targets after setting them on fire.

f. At 1225 today our planes carried out a devastating raid, wiping out enemy remnants and military hardware in the (Zayif) camp.

g. At 1330 today our planes carried out a new successful raid on Khark Island facilities, setting them on fire.

h. All through today our planes raided enemy troop concentrations and positions in the I, II, III, IV, V, VI Army Corps sectors, sowing death among enemy ranks and destruction upon its positions, military hardware, and equipment in 109 combat missions. After carrying out all these missions, our brave eagles safely returned to the homeland under God's protection and guidance. We thank God for His victory and blessed be the men.

2. Our formations in the sectors of operations dealt fierce artillery and mortar blows to enemy positions opposite their positions, inflicting on the enemy heavy losses. Confirmed enemy losses are the following:

a. One boat and one raft destroyed in the VI Army Corps sector east of the Tigris.

b. One large vehicle and one truck destroyed in the II Army Corps central sector.

c. One enemy soldier killed and fire set in one of the hit targets opposite the II Army Corps sector east of Al-Basrah.

3. The forces of charlatan Khomeyni shelled Al-Faw and Mandali environs with long-range artillery.

[Signed] The Armed Forces General Command, 2 January 1986

Kittani Informs UNSC of Iran 'Acts of Aggression'
JN021757 Baghdad INA in Arabic 1735 GMT 2 Jan 86

[Text] United Nations, 2 Jan (INA) — Iraq informed the UN Security Council today of the Iranian acts of aggression against residential areas in Iraq. In a letter to UN Secretary General Javier Perez de Cuellar, Iraq's permanent UN representative, 'Ismat Kittani, said that several Iranian fighter planes raided Chuwartah city in northern Iraq on 30 December killing 21 civilians, injuring 15, and destroying 38 houses.

In the letter which was distributed to UN Security Council members today, 'Ismat Kittani explained that the Iranian Air Force also hit residential areas in the Maysan Governorate at 1136 on the same day, killing three civilians and wounding six others.

Saddam Husayn Chairs Cabinet Meeting 2 Jan
JN021320 Baghdad Voice of the Masses in Arabic
1200 GMT 2 Jan 86

[Text] President Saddam Husayn chaired a meeting of the Council of Ministers this morning during which the revised formula of the general state budget, the investment plan, and the foreign trade plan for 1986 were discussed in light of the amendments drawn up by the committees formed for this purpose on directives by the president during the last meeting of the Council of Ministers.

The Council referred the budget and the two plans to the National Assembly for further consideration in preparation for referring them to the RCC for endorsement and to be issued in their final formula.

RCC Vice Chairman 'Izzat Ibrahim and RCC members First Deputy Prime Minister and Vice President Taha Muhyi al-Din Ma'ruf, RCC members, members of the Arab Socialist Ba'th Party Regional Command, director of the president's office, the ministers, and a number of officials attended the meeting.

Jumblatt, King Husayn Discuss Settlement Prospects

NC030757 Beirut Domestic Service in Arabic
0530 GMT 3 Jan 86

[Text] Jordan's King Husayn and Minister Walid Junblatt yesterday discussed the situation in Lebanon and the prospects for a settlement in light of the tripartite agreement signed in Damascus last Saturday [28 December]. Minister Junblatt began a private visit to Jordan on Tuesday.

SAWT AL-SHA'B Terms Jordan-Syria Move 'Pan-Arab'

JN031008 Amman SAWT AL-SHA'B in Arabic
3 Jan 86 p 1

[Editorial: "Pan-Arab Action and Not an Axis"]

[Text] If what is required from joint Arab action is neither bilateral axes nor counteraxes, then what is also required is that no one should regard that joint Arab action as taking place at his expense unless he regards it as against his own interests.

The Jordanian move toward Damascus is, in our opinion, a basic step to build a joint Arab stand. Amman and Damascus are not trying to build an axis but are working to place a cornerstone for Arab action and create a pan-Arab stand for which all will prepare in the forthcoming Riyadh summit. Such a move, which will be deepened further following President al-Asad's forthcoming visit to Amman, cannot be aimed at anyone and should not be understood by anyone to take place at his expense. Damascus, Amman, Riyadh, and Baghdad should reach a pan-Arab position for the confrontation of all our nation's enemies which will take place only at their expense.

We say that Jordan and its regime have always felt that Jordan derives its strength from joint Arab action and not vice versa. The details of the Camp David accords point out that the Jordanian stand, and not the high-pitched convulsive stands, was the one that foiled the scheme from within. Jordan resisted all pressure by a big and steadfast stand at the Baghdad summit because Jordan grows through the unity of its nation and not vice versa.

The Jordanian-Syrian action is an Arab action and a cornerstone for any Arab action aimed at establishing a balance in the region and at knocking Zionist belligerence down to size. Moreover, it is a pan-Arab action that neither turns into a bilateral axis nor attracts counteraxes.

AL-DUSTUR Views 'Impending Israeli Aggression'

JN021315 Amman AL-DUSTUR in Arabic
2 Jan 86 pp 1, 15

[Editorial: "Viewing the Impending Israeli Aggression"]

[Excerpts] We know it is difficult to defend the simultaneous attacks on the Rome and Vienna airports last Friday which claimed the lives of several innocent people of various nationalities. We also know that the investigation authorities in Italy and Austria have acquitted the PLO and its responsible leadership from any role in planning or carrying out these operations. Moreover, we know that the PLO's leadership and the Arab governments have strongly denounced the incidents so that there is no room to doubt that such acts are accepted by the Arab man in the street as a successful way of struggle for the sake of emphasizing the Palestinian people's legitimate rights.

Hence, we can only express our surprise and astonishment at the statements made by some officials in Washington over the past 2 days which appear to give the green light to Israel and encourage it to avenge these incidents using military means and its well-known method.

We have frequently said that the United States should override talking about the phenomenon of Palestinian violence and discuss its roots and the reasons for it and to treat it from that perspective. The Palestinians' desperation about a just U.S. attitude toward their tragedy is what has forced some of its youth to violate the traditions of a world that disavows them and their rights. We also have frequently said that violence against the Palestinians will feed their violence and that retaliation against them will force them to retaliate. We have also said that if the United States is sincere in fighting Palestinian violence, then there is no way but to earnestly and bravely work to justly treat the Palestinian people who have been denied their homeland and rights and have been under dreadful occupation for more than 37 years.

The Palestinians who exposed themselves to death in the Rome and Vienna airports and who killed innocent people are the children who were conceived in the womb of the Israeli injustice of several decades, which was regrettably midwifed by the United States. Although grieved and agonized over the innocent victims of these two painful incidents, we are more sad that the United States still refuses to draw conclusions from the incidents in the required way and because the United States is regrettably as unable to see the truth as it is incapable of proceeding on the correct path.

Al-Jumayyil Returns From Damascus Talks 3 Jan

NC031146 Beirut Voice of Lebanon in Arabic 1115 GMT 3 Jan 86

[Text] President Amin al-Jumayyil arrived in Beirut from Damascus a short while ago. While there, he held lengthy talks with President Hafiz al-Asad on the current situation in Lebanon and on the region in general.

Before leaving Damascus, President al-Jumayyil held a round of talks with Syrian Vice President 'Abd al-Halim Khaddam. It has been learned that the president will begin consultations with political and spiritual functionaries before returning to Damascus next week to hold further talks with President Hafiz al-Asad.

Phalangists Denounce Attack on Presidential Motorcade

NC021523 Beirut Domestic Service in Arabic 1500 GMT 2 Jan 86

[Text] At its weekly meeting today under the chairmanship of Dr Elie Karamah, the Phalangist Party political bureau discussed the details of the attack on the presidential motorcade. The political bureau denounced the attack and called for immediate investigations. The results of these investigations should be made public as soon as they are available, it said.

The political bureau welcomed the statement released on the meeting of Christian functionaries held at former President Camille Sham'un's house. The political bureau reiterated its previous stand on the tripartite agreement.

Foreign Ministry Official To Visit Moscow 13 Jan

NC021417 Beirut Domestic Service in Arabic 1300 GMT 2 Jan 86

[Text] The date on which Ambassador Fu'ad al-Turk, the Foreign Ministry secretary general, will visit Moscow has officially been set for 13 January. Al-Turk will head a delegation which includes Ambassador Samih al-Baba, the director of political affairs in the Foreign Ministry; Rab'ian Haydar, the Lebanese ambassador in Moscow; Gabi J'arah, the embassy secretary general; and Hikmat Abu Zayd, the prime minister's press adviser. Ambassador al-Baba today discussed with Prime Minister Rashid Karami the topics of the talks which the delegation will hold in Moscow.

Complaint Against Israel To Be Submitted to UN

NC030621 Beirut Domestic Service in Arabic 0548 GMT 3 Jan 86

[Text] Contacts took place last night between Prime Minister Rashid Karami; Minister Nabih Birri, the Amal Movement leader; Ambassador Fu'ad al-Turk, the Foreign Ministry secretary general; and Ambassador Samih al-Baba, the Foreign Ministry's political affairs director. The discussions dealt with the situation in the south in light of the recent Israeli acts of aggression against inhabitants of the border area.

As a result of these contacts, it was decided to submit a complaint against Israel to the UN Security Council. The complaint will emphasize the need to implement the UN resolutions that provide for Israel's unconditional withdrawal and to deploy UNIFIL forces up to the border.

Ambassador al-Turk will prepare the complaint today. He will consult with the higher authorities prior to sending the complaint to Ambassador Rashid Fakhuri, Lebanon's permanent UN representative. He will in turn present it to the UN Security Council in order to expose the reality of the Israeli measures which seek to displace the inhabitants of the border area, thereby stripping it of its population.

Group Claims Rocket Attack on Galilee Towns 2 Jan

NC021259 (Clandestine) Voice of the Mountain in Arabic to Lebanon 1240 GMT 2 Jan 86

[Text] The national resistance continues its operations. One of the Jabal 'Amil groups released a statement today. It said that the group fired 15 katyushas at the Upper Galilee settlements, directly hitting the targets and causing loss of life and material damage. The enemy radio admitted the operation.

The statement goes on to say that the katyushas were fired in retaliation for Zionist actions against our kinfolk in the south. We announce that we will continue to bombard the Galilee villages as long as the enemy continues its arbitrary actions. We will not let them feel safe as long as our kinfolk remain displaced, the statement adds.

Israel admitted that the katyushas fell in the Galilee and said that a katyusha was fired at Qiryat Shemona early this morning. The people of the settlement spent the night in shelters.

Amal Arrests 3 Hizballah Men

NC030713 (Clandestine) Radio Free Lebanon in Arabic 0545 GMT 3 Jan 86

[Text] According to some press reports, the Amal Movement has arrested three Hizballah men in the 'Ayn B'al village of Tyre district. They are accused of shelling Qiryat Shemona in northern Israel yesterday with katyushas.

Reportage on Fighting in Mountain Areas, South

Offensive Escalated

NC021531 (Clandestine) Voice of the Mountain in Arabic to Lebanon 1400 GMT 2 Jan 86

[Excerpt] Baysur and Kayfun have been subjected to mortar fire from Army positions in Suq al-Gharb for some time now. Kayfun is still coming under intermittent machinegun fire from Qal'at al-Husn and the Al-Sarayah building. Dahr al-Wahsh also came under machinegun fire from Al-Fillat for a while.

In the south, militias loyal to Lahd have escalated their offensive against the positions held by the Popular Liberation Army along

the combat lines of Kafr Falus, Lib'a, and 'Ayn al-Mir. Violent clashes are taking place there. The Popular Liberation Army is engaging the Lahd militias with all kinds of weapons. Some shells have strayed from the battle areas into Sidon.

Popular Army Statement

NC021544 Beirut Domestic Service in Arabic
1500 GMT 2 Jan 86

[Text] A responsible source in the Popular Liberation Army has made the following statement: The Lahd militias have resumed their shelling of the Popular Liberation Army positions from their artillery emplacements deployed behind the front lines in Jazzin and its suburbs. The agents' artillery extended the range of their shelling at 1430. Their artillery shelled the town of Sidon and the residential line between Sidon and 'Ayn al-Mir. Over 10 shells fell in the residential areas of Sidon until 1600.

The statement added: The Popular Liberation Army stresses that it will not rètaliate out of concern for the safety of our families in Jazzin and the lives of citizens and innocent people. We know where and when to retaliate.

Sidon Shelled

NC021826 Beirut Domestic Service in Arabic
1800 GMT 2 Jan 86

[Text] Tension continues to reign along the combat lines east of Sidon this afternoon. Agent Lahd militias and Israeli forces have resumed shelling residential areas in Sidon, leaving a number of citizens dead or wounded and causing serious material damage.

A responsible source in the Nasirite Popular Organization issued the following statement this evening:

The cliques of treason and agentry resumed their indiscriminate shelling of residential areas in Sidon at 1700 today. Shells are falling at the rate of two shells per minute. It has become known that the objective behind this indiscriminate shelling is to exacerbate the military situation and inflict the gravest human losses on Sidon's innocent people, and, consequently, to raise the collapsing morale of these cliques' mercenaries following their utter defeat on Tuesday night.

Our forces continue to abide by the instructions of their command and are not replying to this vicious shelling.

'Camp' To Fight Israel

NC030724 Beirut Domestic Service in Arabic
0530 GMT 3 Jan 86

[Text] Dawud Dawud, the Amal Movement's political official in the south, yesterday announced the establishment of Kunin camp. The purpose of the camp is to fight the enemy and his agents.

ASL Center Attacked

JN030726 Marj 'Uyun Lebanon Voice of Hope in Arabic
0600 GMT 3 Jan 86

[Text] The Kafr Rumman center belonging to the army of southern Lebanon [ASL] was exposed to a comprehensive attack at dawn today. The attackers used heavy and medium machine-guns and RPG's. About 1 and 1/2 hours later, the attackers were forced to retreat under fire from the center's garrison, which returned fire using various types of weapons. No casualties were reported among the garrison's members.

'Intermittent' Clashes

NC030826 Beirut Domestic Service in Arabic
0530 GMT 3 Jan 86

[Text] Intermittent clashes are continuing on the Kafr Falus combat line in the wake of heavy fighting. Popular Liberation Army fighters have repulsed an attempt by Lahd militiamen to advance on the Kafr Falus-'Ayn al-Mir-Lib'a front.

Lahd's militiamen in the Jazzin area began the escalation of the military situation on the Kafr Falus front on the night of 1 January. They mobilized a large number of vehicles and soldiers and stormed the forward positions of the Popular Liberation Army. However, after ferocious battles lasting about 7 hours, the Popular Liberation Army fighters defeated the militiamen, pursued them up to their advance posts in Kafr Falus, and took control of two strategic hills and the Nicola Salim Castle near the Al-Hariri installations. They also destroyed three Centurion tanks and an ammunition dump, and killed eight militiamen.

Our Sidon correspondent has a report on the most recent developments:

[Begin recording] According to the latest information from the 'Ayn al-Mir-Lib'a-Kafr Falus combat line, sporadic clashes involving the use of various types of weapons are interrupting the uneasy calm in the area. The atmosphere has been tense since midnight last night, following large-scale clashes in which fierce and intensive gunfire was exchanged between the positions of the Martyr Ma'ruf Sa'd forces of the Popular Liberation Army and posts held by the so-called army of south Lebanon. The army of south Lebanon had shelled the city of Sidon and its suburbs as well as villages east of Sidon, using field artillery and firing 122-mm and 120-mm shells from its artillery emplacements on the hills of Rum, Haytura, and Jabal Safi.

Hospital sources have said that 'Abd al-Rahman al-Quwatli was martyred and 80-year-old Muhammad Taha Dahsh was wounded.

This is Muhammad al-Asad of the NATIONAL NEWS AGENCY office in Sidon reporting. [end recording]

Israelis Shell Towns

NC031007 Beirut Domestic Service in Arabic 0900 GMT 3 Jan 86

[Text] Occupation forces have shelled the towns of Habbush, Kafr Rumman, Zawtar al-Sharqiyah, and Upper al-Nabatiyah and its suburbs. Earlier, the national resistance launched an attack with RPG's on a position held by agent Lahd in Kafr Rumman. A clash ensued in which various types of weapons were used; the agents sustained an unknown number of casualties. We were informed a short while ago that the town of Majdal Silm came under tank fire at 0430 today. The house of Shaykh 'Ali Yasin was hit by two shells. Three other citizens — Ghassan 'Abd al-Hadi Yasin, 'Abdallah 'Abd al-Rahman Yasin, and Muhammad Fawzi Yasin — were injured and taken to the hospital for treatment.

Lahd Calls For Lebanese-Israeli Cooperation

JN030719 Marj 'Uyun Lebanon Voice of Hope in Arabic 0600 GMT 3 Jan 86

[Text] The regular annual meeting between leaders and functionaries of the Lebanese-Israeli border region was held in the Israeli town of Metulla at the invitation of its mayor yesterday evening. Leading the Lebanese side was Staff Major General Antoine Lahd, commander of the army of southern Lebanon, and on the Israeli side Lieutenant Hayim 'Arif, head of the civilian administration in the liasion unit to Lebanon.

On the occasion, Staff Maj Gen Lahd delivered a speech in which he stressed that cooperation between the Lebanese and Israeli peoples will consolidate coexistence between the two neighboring peoples.

Maj Gen Lahd emphasized the importance of security for both sides.

He said: We believe there will be no peace in Lebanon, particularly in the south, unless peace prevails on both sides of the Lebanese-Israeli border.

He expressed hope that this cooperation between the inhabitants of the south and the Israelis will result in comprehensive cooperation between all Lebanese and Israelis.

KUNA: Soviet T-80 Tanks Deployed on Golan Heights

LD030757 Kuwait KUNA in Arabic 0714 GMT 3 Jan 86

[Text] Kuwait, 3 Jan (KUNA) — *AL-RA'Y AL-'AMM* said here today in a news report from Damascus that within the last week Syria has received 250 highly advanced Soviet T-80 tanks.

The paper quoted Eastern diplomatic sources in Damascus as saying that during the last 2 days the Syrians have moved more than 100 tanks of this type to an advanced position on the Golan Heights in addition to almost 400 T-72 tanks.

These sources have said that the Israeli Army has no advanced tanks equivalent to the Soviet T-80. The Israeli Merkava-2 tanks are equal to the Syrians' T-72 tanks.

The sources added that Syria is the only friendly country that has acquired the T-80 generation of advanced Soviet tanks, pointing out that most of the Warsaw Pact countries do not have this type of tanks.

U.S. Military Moves in Mediterranean Reported

JN031301 Damascus Domestic Service in Arabic 1215 GMT 3 Jan 86

[Text] The U.S. ABC television network has said that the Reagan administration is extremely serious in considering military operations against Libya. Citing military sources, ABC said the operations will include hitting some Libyan targets and backing a possible Israeli military aggression. ABC added that the U.S. aircraft carrier *Coral Sea*, anchored in Naples, will join other naval vessels to carry out provocative maneuvers in the Gulf of Sidra, off the Libyan coast.

Within its anti-Libyan campaign, the U.S. Administration is asking its European allies to impose diplomatic and economic sanctions against the Libyan Jamahiriyah. It also called on its subjects in Libya to leave immediately.

Further on Al-Asad-Al-Jumayyil Damascus Talks

Hold Closed Meeting 2 Jan

JN021637 Damascus Domestic Service in Arabic 1615 GMT 2 Jan 86

[Excerpts] President Hafiz al-Asad and Lebanese President Amin al-Jumayyil held a closed meeting in the Presidential Palace in Damascus at 1125 today. Talks revolved around various aspects of the Lebanese situation, the opening of a new chapter, and the abnormal situation that existed in Lebanon as a result of the long civil war. Talks also revolved around boosting security, peace, and national accord in Lebanon.

President Hafiz al-Asad hosted a luncheon banquet in honor of Lebanese President Amin al-Jumayyil, attended by Vice President 'Abd al-Halim Khaddam, Interior Minister Muhammad Ghabbash, Foreign Minister Faruq al-Shar', Information Minister Yasin Rajjuh, and Minister for Presidential Affairs Wahib Fadil.

Al-Jumayyil Departs

JN031130 Damascus Domestic Service in Arabic 1115 GMT 3 Jan 86

[Text] Damascus — Lebanese President Amin al-Jumayyil left Damascus this morning following a 2-day visit to Syria. Seeing him off at the airport were President Hafiz al-Asad, Vice President 'Abd al-Halim Khaddam, Interior Minister Muhammad Ghabbash, Foreign Minister Faruq al-Shar', Information Minister Yasin Rajjuh, and Minister for Presidential Affairs Wahib Fadil.

The president held a closed meeting with President al-Jumayyil yesterday during which talks dealt with the Lebanese situation and issues relating to the march of security, peace, and national accord in Lebanon.

Talks To Continue 9 Jan

JN030652 Paris Radio Monte Carlo in Arabic 0600 GMT 3 Dec 86

[Louis Faris dispatch from Damascus]

[Text] The 10th summit between Presidents Hafiz al-Asad and Amin al-Jumayyil continued yesterday in a 5-hour closed session. Talks were interrupted by a working lunch in which Vice President 'Abd al-Halim Khaddam and the ministers of interior, foreign affairs, information, and presidential affairs participated. The talks centered on the Lebanese situation in general and ways to implement the Lebanese reconciliation, particularly concerning the tripartite agreement signed by the Amal Movement, the Progressive Socialist Party, and the Lebanese Forces last Saturday.

Following the talks, President al-Jumayyil looked cheerful. His sources said the talks were held in a positive atmosphere. The soruces pointed out that President al-Jumayyil believes that a framework for an integrated mechanism is necessary to impalement the tripartite agreement and that the Lebanese president, who received a copy of the agreement from Syrian Foreign Minister Faruq al-Shar' only 2 days before the summit, must have enough time to complete his consultations with the aim of mustering Lebanese support for the agreement. The sources noted that the two presidents agreed to hold their 11th summit in Damascus on Thursday, by which time Al-Jumayyil will have completed his contacts and Damascus will have received respectively former President Sulayman Franjiyah; the three signatories to the agreement, Nabih Birri, Walid Junblatt, and Elie Hubayqah, or their representatives; and Lebanese figures Husayn al-Husayni, Rashid Karami, Salim al-Huss, and Rashid al-Sulh.

It must be noted that Damascus has been reiterating its firm desire to implement the tripartite agreement for a national solution in Lebanon.

TISHRIN on 'Restoration' of Palestinian Unity

PM021617 Damascus TISHRIN in Arabic 21 Dec 85 p 3

['Abd al-Rahman Ghunaym article: "Rectification, Not Reconciliation, Is the Way To Save the PLO"]

[Excerpts] For some time now there has been renewed talk about the need for and chances of restoring PLO unity. There have been scattered reports in various places in the Arab homeland and the world about an imminent reconciliation or a white coup. Another phenomenon has appeared at the same time, reflecting signs of new insurgency within the Fatah Movement, which is led by the Central Committee (that is, the right-wing command.) There are even signs of a split within the Central Committee itself.

Actually, these reports have not come from a vacuum. The signs of a new insurgency within the right-wing leadership are inevitable. Now, for the first time, there are serious possibilities of a split within the right-wing leadership. However, the Palestinian people and man in the street are not at this moment interested in a wager on a new uprising among what is left of the Fatah right-wing leadership loyalists. What matters to them right now is, specifically, that the PLO should be lifted from the abyss into which the right-wing leadership has dropped it and that the Palestinian body, torn apart by that leadership, should be put together again in a sound, nationalist revival based on commitment to the Palestinian National Charter and disciplined adherence to its provisions.

The Palestinian Arabs now have a historic opportunity to achieve that objective in a reasonable time. The truth of the matter is that there are several factors at present which make the aim of remedying the PLO situation and restoring its unity attainable. The following are the most important factors:

1. The political dilemma of the right-wing leadership, whose policy of wagering on a U.S. settlement has failed miserably. In the past Yasir 'Arafat was in the habit of saying "Let me try," but nobody is now willing to let him try, and he must bear the consequences of the failure of his experiment at the hands of those who in the past agreed to "let him try." This explains the signs of a new split within the right-wing organization.

2. In addition to the right-wing leadership policy crisis, there is another crisis of a different kind. The right wing's failure to turn the Rabat extraordinary Arab summit conference into a substitute for the ordinary summit conference and for true Arab solidarity and the emergence of the call for clearing the Arab atmosphere have created a new dilemma for the 'Arafat leadership in its Arab relations. The policy pursued by the 'Arafat leadership resulted in its becoming a party to the plans for creating Arab blocs. As a result, 'Arafat lost one of the main prerequisites of PLO leadership, which is that whoever leads the PLO should, despite everything, maintain good relations with all the Arab regimes and special relations with the Arab confrontation forces. 'Arafat is no longer qualified or able to correct his mistake. In other words, he is no longer qualified or able to harmonize all the way with the efforts to clear the Arab atmosphere.

It is clear from the abovementioned two points that any sincere effort to save the PLO and restore its unity on a sound nationalist basis is bound to be strongly supported and backed by many Arab governments, and only if this objective is achieved before the next Arab summit. However, the preceding two factors in no way mean that PLO unity could be restored on the basis of reconciliation between the two main conflicting trends in it. It can only be restored on the basis of rectification. The rectification may not or rather should not be confined to absolving some of the competent leaders of the responsibility for past mistakes and deviations. It could extend to include reconsideration of inter-Palestinian struggle relations, with a view to creating unified resistance embracing all the Palestinian fighters as well as elimination of all the negative aspects which have characterized Palestinian action, as a result of illogical multiplicity where practical unity should have prevailed.

It is therefore perfectly clear that the restoration of PLO unity on the basis above all of rectification and of reaffirmation of the PLO's nationalist, liberation course and requirements calls for concerted and extraordinary efforts by qualified Palestinian nationalists who enjoy the highest degree of respect, trust, and massive support in the Palestinian arena and who are capable not only of scrutinizing the views of the various parties and pinpointing the common denominators between them, but also of putting forward new concepts derived from the will and aspirations of the Palestinian people. They should perhaps meet with our people, wherever they may be, in open public rallies that would show the trends in Palestinian opinion and perhaps produce clear concepts and radical solutions in harmony with the people's aims and aspirations.

Such moves by nationalist, independent Palestinian leaderships, signs of which have recently begun to emerge, will certainly lead to one of two possibilities. The first is agreement by all Palestinian sides to convene a session of the PNC, whose legitimacy is recognized by all, for the purpose of ratifying a draft national solution that would restore Palestinian national unity within the PLO.

The other possibility, which must materialize if the first one fails, is the holding of a Palestinian people's congress on the basis of the principles defined by the Palestinian National Salvation Front, thus providing the widest base of Palestinian national consensus to wrest the legitimacy of 'Arafat's leadership by means of the widest Palestinian base of national legitimacy and with Arab support.

TISHRIN on Resolve To Implement Lebanon Accord

JN0307150 Damascus Domestic Service in Arabic 0445 GMT 3 Jan 86

[Press review]

[Excerpt] Under the headline "The Immense Responsibility," the newspaper *TISHRIN* says: Syria is continuing its persevering efforts to transform the Lebanese agreement into a tangible reality on the ground, providing benefits, safety, and stability to the Lebanese people. Thus, the civil war and its legacies will become past history and all the Lebanese people will look forward

toward building the new Lebanon on the basis of equality, equity, and justice.

President al-Jumayyil's visit to Damascus and his talks with leader Al-Asad fall within efforts to pave the way for implementing the agreement, removing all the obstacles, and ensuring the broadest Lebanese consensus that would protect Lebanon against the Israeli enemy's attempts to disrupt the march of security and reconciliation, which has practically started. Although the signatories of the agreement represent the effective parties in the arena, it is open to the participation of all Lebanese groups. In fact, the participation of these groups is required because, by participating, they will render a great service to the Lebanese cause.

The Israeli enemy did not hide its deep concern and has not abandoned its designs to foil any agreement and undermine all reconciliations. The enemy's belligerent acts in southern Lebanon, its storming of peaceful villages and expelling its inhabitants, its instigating the agent militias to shell civilian areas, and its direct threats to Syria are an expression of its profound chagrin and its desire to escalate tension in any form. The Lebanese people's adherence to the agreement and the legitimate authority's work to begin practical steps to put the agreement into practice are of utmost importance because the Lebanese people, who greatly suffered from the civil war, are looking forward to tangible measures that would end their painful plight that has dragged on until it became almost intractable.

Immediately following the signing of the agreement, President al-Jumayyil expressed his appreciation for this great achievement. His talks with President al-Asad will hopefully result in beginning the process of implementing and removing the obstacles.

Concluding, *TISHRIN* says: Syria, which led intensive efforts to have the agreement signed, will redouble its efforts to implement it so that the Lebanese people will enjoy its fruits of joint safety, stability, and peaceful living. Thus, Syria will be a stubborn adversary to all those who place obstacles before its implementation. However, Syria has great faith that Lebanese leaderships of various trends will be true to their immense national responsibility and will respond to the call of the homeland and people.

Commentary on Israeli-U.S. Moves Against Arabs
JN021508 Damascus Domestic Service in Arabic
1230 GMT 2 Jan 86

[Station commentary]

[Text] Every time our Arab region or part of it makes a step toward curbing Israeli hostility and U.S. hegemony, following a pan-Arab achievement in the region in the interest of progress and just peace, imperialism and Zionism create propaganda and political clamor and launch a campaign of threats and lies to contain this achievement to prevent it from achieving its aspired objectives. Supported by the United States, Israel has more than once repeated its interception and fighting of national and pan-Arab achievements in this manner. Israel exploited the simplest events, used its war machine, and consecrated large capabilities to strike at any attempt or step, or even any Arab attempt, to curb U.S.-Zionist hostility in the Arab region. And now, we witness a state of blind U.S. determination to ignore many facts in the region, facts which foiled the U.S.- Zionist liquidatory plans. This blind determination encourages the United States to follow without reservation Israel's steps and its hostile trends. This can be proved by Washington's stand toward all positive developments in the region. This is also proved by Washington's stand on the following events and developments: on the issue of Syrian missiles, on the Syrian sponsorship of the agreement among the Lebanese sides, on the operations of the Lebanese national resistance which Israel and Washington describe as terrorist operations, and on the very clear exploitation of the recent incidents at the Vienna and Rome airports.

These and other stands have always been and are still hampering and disrupting all local, Arab, and international efforts to serve just peace and true stability in the region. The United States, which is strongly biased toward Israel, insists on imposing its law on the region. It does not learn from its mistakes or from the repeated defeats of its programs and plans in the region. Moreover, the United States insists that the imperialist and Zionist law of the jungle, which it seeks to impose on our region, will make it the trustee for the Middle East and will enable it to determine its destiny and future.

Israel finds in this insistence and blind U.S. support a frank encouragement to carry out aggression, to be indifferent to the will of the international community, and to reject its resolutions. Moreover, Israel finds in this a green light to carry out aggressions whenever possible. Announcements against the so-called terrorism are new statements for carrying out a hostile war, not against what is called terrorism, but against great achievements in the region which curbed the Israeli expansionist policy and U.S. hegemony and foiled their plans.

We realize that the Zionist-imperialist circles will not capitulate easily to the strategic progress in our country. They will not capitulate easily to our support for the successes and victories achieved by our Arab masses in Lebanon, Libya, and Egypt, which has begun to escalate its struggle to dispose of the Camp David shackles. Imperialism and Zionism will not remain silent over the retreat of their liquidatory plans and the failure of some of these plans, such as the 17 May agreement, unless they are forced to do so. Therefore, imperialism and Zionism will use any pretext or justification to regain their positions in the region. We realize that Zionism and imperialism do not hesitate to commit any crime or carry out any aggression because the imperialist-Zionist record is full of aggression and crimes in our region.

The lesson we have learned is to be determined to continue our march on the road to victory to regain our rights and defend our Arab nation regardless of sacrifices. The destiny of this region can only be determined by its peoples. In Syria, we will not abandon the masses of the Arab nation regardless of sacrifices and threats. Syria, which has achieved victories in many battles on national and pan-Arab levels, is determined to continue its march on the road to victory because it is the only road to dignity and to pan-Arab will in the Arab land.

More on Reaction to Katyusha Firings in S. Lebanon

IDF Fires at Terrorist Targets

TA021950 Jerusalem Television Service in Hebrew
1900 GMT 2 Jan 86

[Excerpts] The IDF today fired artillery rounds at terrorist targets in Lebanon. This followed the landing of five katyusha rockets in the Upper Galilee last night, with one of them landing in Qiryat Shemona itself.

Military sources today told our military affairs correspondent Moshe Shlonsky that it is still too early to determine whether a wave of attacks can be expected on the northern border or whether the recent incidents were merely connected to Fatah Day.

Peres: Israel To Take Measures

TA021400 Jerusalem Domestic Service in Hebrew
1346 GMT 2 Jan 86

[Text] Prime Minister Shim'on Peres has said that the government will not forsake the northern settlements and that it will take all the appropriate measures to deal with the problem of the katyushas landing in the Galilee. The prime minister added that the government does not have a comprehensive plan for reprisal against terrorism and that the reaction must be assessed each time according to the circumstances. He also expressed his assessment that one should not be impressed by Libyan leader Mu'ammar al-Qadhdhafi's various statements since Libyan policy has not changed. The prime minister was speaking to journalists in Herzliyya and his remarks were reported by our correspondent Uri Ginosar.

Shamir: IDF To Halt Attacks

TA030614 Jerusalem Domestic Service in Hebrew
0505 GMT 3 Jan 86

[Text] Vice Prime Minister Yitzhaq Shamir says the IDF will do everything possible to ensure the safety of the Galilee residents. In a talk with our correspondent Moshe Halevi, Shamir said the katyushas are a warning sign that the relative calm that prevailed for some time in the north is over:

[Begin recording] [Shamir] These katyushas may herald a dangerous period. I hope — I am certain — that the IDF will not permit these attacks to go on, that the IDF will do everything possible to ensure the peace of the Galilee and its residents.

[Halevi] We know very well what the attitude of Syria and Libya is toward terrorism and how they help it. Now we hear that Egypt has allowed a part of PLO Force 17 to settle in its territory. How does Israel view this move?

[Shamir] These reports are still unconfirmed. However, we view this development seriously; we know about the contacts and ties between Egypt and the PLO. We protested to the Egyptians on their support for 'Arafat's Cairo Declaration, in which he announced that he would not carry out attacks outside of our region but would continue with terrorism inside Israel and in territories under Israeli rule. We are following these developments with concern. [end recording]

Lahd: Extend Strip Northward

TA030652 Jerusalem Domestic Service in Hebrew
0505 GMT 3 Jan 86

[Excerpts] General Antoine Lahd, commander of the army of southern Lebanon [ASL], has suggested extending the security zone in southern Lebanon in order to prevent the katyusha attacks from Lebanon on the Galilee villages. Gen Lahd said this yesterday in Metulla during a reception by heads of northern settlements for southern Lebanese notables on the occasion of the New Year. Our correspondent Hayim Hecht reports:

[Begin recording] Gen Lahd often stresses his independence. He says that the ASL has indeed fired many shells on Shi'ite villages north of the security strip, but this is not because they hit Qiryat Shemona. Lahd said he gave the order to fire because his villages were attacked by katyusha rockets.

Lahd said that there is undoubtedly anxiety and concern over the increased terrorist activity. Most of the katyushas that landed in the Galilee are of a 122-mm caliber, and their range is about 20 km. Lahd stated that the unavoidable conclusion from this is that the security zone must be extended so that these rockets will no longer bother Qiryat Shemona and Shomera.

Lahd obviously understands that the decisions must be made in Jerusalem, but he believes that his suggestion carries greater weight today due to the determined and firm stand of his units against constant terrorist attacks in the Jazzin sector. [end recording]

Levi: Strengthen ASL, Extend Strip

TA030955 Tel Aviv IDF Radio in Hebrew
0946 GMT 3 Jan 86

[Text] Deputy Prime Minister David Levi says that in the government session next Sunday he will propose a series of steps to strengthen the security of the inhabitants of the northern border. David Levi supports, among other things, extending the security strip in southern Lebanon and strengthening the army of southern Lebanon. Minister David Levi told our correspondent in the north Menahem Horowitz that if the Amal organization continues to back the terrorists, its headquarters will be the IDF's next target.

Peres, Rabin Meet on Incidents

TA031112 Tel Aviv HA'ARETZ in Hebrew
3 Jan 86 pp 1, 2

[Report by 'Aqiva Eldar, Re'uven Pedatzur, Menahem Horowitz, and 'Oded Zaray]

[Excerpts] The prime minister and the defense minister held consultations last night over the firing of katyusha rockets from

Lebanon. Jerusalem is following the resumption of shelling on the Galilee with concern and has notified Washington of this concern.

The increase in incidents in which katyushas have been fired from Lebanese territory may ultimately force the IDF to strike at the Syrian surface-to-air missiles stationed near the border with Lebanon. In such an event, a military-operational problem would arise because the site of the reprisal would be the Al-Biqa' where thousands of terrorists are concentrated. The area is currently protected by the Syrian surface-to-air missiles located near the border with Lebanon, which would restrict the operational freedom of the Israeli Air Force. Therefore, in order to be able to fly freely over Al-Biqa', the Air Force may initially attack the surface-to-air missiles and only later the terrorist targets.

The IDF is on alert along the northern border and in southern Lebanon and has taken measures to prevent the firing of katyushas at the western Galilee and Qiryat Shemona.

Sources in the IDF hope that the relative deterioration along the northern border and in the security strip in the last few days is a passing phenomenon. Senior IDF officers recently met heads of villages in the security strip and warned them not to collaborate with elements hostile to the IDF and the army of southern Lebanon.

ASL Releases 20 Detainees in Security Strip

TA021445 Tel Aviv IDF Radio in Hebrew
1425 GMT 2 Jan 86

[Text] The army of southern Lebanon has released 20 detainees from the detention camp at Al-Khiyyam as a gesture of goodwill on the occasion of the new year. Our correspondent in the north Menahem Horowitz reports that all the detainees are inhabitants of the security zone. The decision on this gesture was made by General Antoine Lahd.

Bomb Explodes in Ramat Gan; No Injuries

TA030732 Tel Aviv IDF Radio in Hebrew
0724 GMT 3 Jan 86

[Text] A small bomb exploded in Ramat Gan a short while ago. We were informed by the Magen David Adom first aid station that there were no injuries. Our correspondent Yaron Deqel reports the bomb was planted at the corner of Yosef Hagalili and Krinitzi Streets in Ramat Gan. Police forces have arrived at the site, sealed it off, and are currently conducting searches.

Military Court Sentences Gazan to Life for Murder

TA020958 Tel Aviv HA'ARETZ in Hebrew
2 Jan 86 p 3

[Report by Eytan Tabin]

[Text] The Gaza military court has handed down a life sentence to Gazan Abu Samariyah (43) who headed the terrorist squad that murdered the mayor of Rafah in 1983. As will be recalled, in 1983 the security forces uncovered a 12-member terrorist gang whose leader was Abu Samariyah.

Rabin Supports Arbitration Formula on Tabah

TA021855 Jerusalem Domestic Service in Hebrew
1800 GMT 2 Jan 86

[Text] The defense minister supports solving the Tabah problem through arbitration and believes there is a formula that would make it possible for agreement to be reached within the political system in Israel. He proposes that the arbiters should hear the positions of both sides, but should be able to rule and make a decision which would not necessarily be the position held by one side or the other. If the Egyptians were to accept such a proposal, the defense minister believes that support for this could be rallied within the Israeli political system. Our correspondent Amnon Nadav reports that Minister Rabin was speaking during a meeting of the committee consolidating the political platform of the Labor Party.

Says 'Losers' To Have Access

TA030800 Jerusalem THE JERUSALEM POST in English
3 Jan 86 p 1

[Report by political correspondent Roy Isacowitz]

[Text] Tel Aviv — Egypt has already agreed that the losing side in the Tabah dispute will have access to the sliver of land south of Elat, Defense Minister Yitzhaq Rabin said yesterday. Israel, he added, is demanding that the form of access be defined and decided on before resolution of the dispute.

Addressing the committee preparing the Labour Party's political platform for its forthcoming convention, Rabin made his strongest statement yet in support of the "Egyptian option." Strengthening ties with Egypt is Israel's first priority and nothing must be allowed to stand in its way, he said. Resolution of the differences between the two countries, he added, would demand compromises by both sides.

Rabin called for "arbitration with risks" as the solution to the Tabah dispute. Egypt, he said, has an interest in ending the dispute and improving its ties with Israel, if only to ensure the continuation of U.S. economic aid.

Regarding peace talks with Jordan, Rabin said that he saw little sense in entering negotiations unless representatives from the West Bank and Gaza were present. The talks, he said, must be "direct and two-way." An international umbrella would be supplementary only. But Israel, he said, must also begin to consider how it would act if Jordan's King Husayn did not enter into peace negotiations.

Prime Minister Shim'on Peres was present at the committee meeting, but did not speak. Many of the speakers, among them Knesset Members Abba Eban and Simcha Dinitz, called on the party to cleave to its principles in the face of temptations to make political compromises with the Likud.

Peres Doubts Terrorists To Establish Bases in Egypt
TA021525 Tel Aviv IDF Radio in Hebrew
1500 GMT 2 Jan 86

[Excerpt] The prime minister doubts the reports according to which terrorists are about to establish bases in Egypt. He believes that Egypt will prevent such a development and says that the two countries are close to reaching a positive conclusion to the problems on which they disagree. President Mubarak, Peres said, is determined to improve relations with Israel.

Shamir: No Link Between Aliyah, Diplomatic Ties
TA030619 Jerusalem Domestic Service in English
0500 GMT 3 Jan 86

[Excerpt] Foreign Minister Yitzhaq Shamir says Israel has asked the Soviet Union to allow Jews to leave the country on direct flights to Israel. He was speaking in Beersheba last night at the opening session of a series of seminars organized by the World Union of Jewish Students Committee for Soviet Jewry. More details in this report from Li'ora Mori'el.

[Begin recording] [Mori'el] Shamir spoke eloquently for the right of emigration for the 2 million Jews who are still in Russia and noted that whatever the rumors about a positive change in Soviet attitude in the matter, there is still virtually no aliyah from Russia. Only a major public outcry, he said, can effect such a policy of emigration. Shamir said there was no connection between such emigration and superpower relations.

[Shamir] It has also been suggested by some that there is a connection between Jewish emigration from the USSR and diplomatic relations between Israel and the Soviet Union. History and experience have shown otherwise. The fact is that we have had considerable aliyah from Russia in the absence of any diplomatic relations between the two countries. On the other hand, our experience shows that in the period when we did have diplomatic relations, in the years from 1948 to 1967, there was no aliyah. Therefore, we have to understand that these are two separate problems. [end recording]

New Salvadoran Envoy To Reopen Jerusalem Embassy
TA010837 Jerusalem Domestic Service in English
0500 GMT 1 Jan 86

[Text] El Salvador has named its new ambassador to Israel. He is Enrique Guttfreund, who has until now occupied senior economic posts in his country. He will reopen the El Salvador Embassy in Jerusalem, which has not had an ambassador resident for more than a year.

Finance Committee Allots Funds for Settlements
TA312020 Jerusalem Television Service in Hebrew
1900 GMT 31 Dec 85

[Text] The Knesset Finance Committee yesterday decided to allot a sum of approximately 7.5 billion shekels for the settlements under the pressure of the Knesset settlement lobby, headed by Likud's Yig'al Kohen. Our correspondent Menahem Hadar adds that a part of the sum will be directed for building more settlements in the territories in order to complete the quota of six new settlements, as is required by the coalition agreement. More than $2 million will be allotted for completing the trans-Samaria highway, and $300,000 will be allotted to an information campaign on the part of the Council of Jewish Settlements in Judaea and Samaria for settlements in Judaea and Samaria. Approximately $200,000 will be allotted to the establishment of a unit that will supervise state lands in the territories, and about one-third of the sum allotted by the Finance Committee will be transferred to settlements in the Jordan Valley and Golan Heights which are in financial difficulties.

Lifting of Price Controls To Begin Soon
TA301859 Jerusalem Domestic Service in Hebrew
1600 GMT 30 Dec 85

[Text] The first stage in lifting price controls will begin within a few days and will apply to business rentals, the cost of security and cleaning services, and the hiring freeze. Our economic affairs correspondent Me'ir Einstein reports that Deputy Finance Minister 'Adi Amoray today told the Knesset Finance Committee that his ministry plans to lift the price freeze first in areas that have a marginal effect on the consumer price index, businesses in which there is little demand or in which there is stiff competition between manufacturers.

Statistics Bureau Releases 1985 Economic Figures
TA311156 Jerusalem Domestic Service in English
1100 GMT 31 Dec 85

[Text] Israel's gross national product [GNP] grew by 2 percent in 1985, and the balance of payments improved by $560 million. Those are just some of the year-end provisional figures released today by the Central Bureau of Statistics. Harley Braidman reports:

The GNP, or the total of goods and services produced by the economy, went up by 2 percent. The average Israeli standard of living remained stationary, but on a per capita basis, it went down by 2 percent. The balance of payments improved by $560 million. Excluding defense, there was nearly a $1 billion improvement. On the other hand, investments again dropped sharply by 12 percent. But the bombshell in the figures released was the sharp drop in gross wages. In the public sector, these have gone back to the level of 1968. The wages as a whole have dropped to the 1978 level. There was also a drop in the rate of savings, which returned to the 1983 level. Figures also showed that unemployment is on the rise, and also that the economy is again stagnating after growing at the beginning of the year. Most of the figures are based on data from the first 8 to 11 months of the year.

LIBYA

Al-Qadhdhafi Holds Press Conference in Tripoli

LD021754 Tripoli Domestic Service in Arabic
1405 GMT 2 Jan 86

[Press conference by Mu'ammar al-Qadhdhafi with correspondents from NBC, CBS, U.S. newspapers, Philadelphia, Western Australia, SANA, IRNA, and JANA in Tripoli on 1 January; questioners not identified; questions in Arabic and English, those in Arabic followed by English translation; Al-Qadhdhafi answers in Arabic, followed by English translation — recorded]

[Text][Question] The question addressed by NBC states that the United States has recently accused Libya of helping the people who carried out the attack against Rome airport. What is the truth?

[Al-Qadhdhafi] Can America bring evidence? [preceding sentence in English] But [words indistinct] to the United States because the United States has planned an aggression against Libya for many years; because the United States does not want the Arab nation to be liberated and united. This is an aggression against the Arab nation, and the United States is looking for justifications.

[Question] A question from Western Australia says that it was rumored that the new year will witness an aggression by Israel against Libya which will be supported by the United States.

[Al-Qadhdhafi] Aggression by Israel has been going on since 1948, when Israel occupied Palestine using force and terrorism.

[Question] [Words indistinct] in your opinion, what is (?practically) required? And is there an expected Libyan initiative for [words indistinct]?

[Al-Qadhdhafi] At the very least I am calling for the immediate establishment of complete unity between Libya and Syria. The challenge should be confronted with a challenge. They are arrogant sons of dogs, and if they are not made to fear us then they will be up to no good.

[Question] [Passage indistinct].

[Al-Qadhdhafi] [Words indistinct] to answer this nonsense. They have the means to attack, the means of aggression, and they assume the right to attack others while forbidding others to have the means of defense — the right to defend themselves.

[Question] Colonel, what is your concept of the role which could be played [words indistinct] against the American and Zionist [words indistinct]?

[Al-Qadhdhafi] It is a determining role; it is the role of the Libyan-Iranian-Syrian alliance, or the alliance of the revolutionary forces in this region against imperialism and Zionism. This is the determining role. This is what will put an end to these arrogant cowardly Zionists and their dirty American masters.

[Question] What is the Libyan policy against terrorism? What is your opinion concerning the hijacking of aircraft and ships? Does Libya support or condemn these actions?

[Al-Qadhdhafi] In principle, Libya is against terrorism in all its forms. But I firmly reject the claim that the Palestinian action should be accused of terrorism. The Palestinian action is the most sacred action on earth in this era because it concerns fighting by people who have been wronged, whose land was taken by force and terrorism. The Israelis are the ones who used this style against the Palestinian people. They are the ones who slaughtered the population of Dayr Yasin in 1948; they are the ones who attacked the hospitals in Beirut in 1982; they are the ones who attacked, using their aircraft, the Bahr al-Baqr school and the workers of [words indistinct] in Cairo. I was in Cairo at that moment; I saw dozens of dead children. They are the ones who on 23 February 1973 hit a Libyan Airlines civilian aircraft and killed 99 civilians, and America did not protest.

[Question] Do you think that Israel is a terrorist country?

[Al-Qadhdhafi] It is the No 1 terrorist country and a terrorist camp [words indistinct] completely. The whole world should eradicate this terrorist camp.

[Question] A question from NBC. The question says that there are news reports from some quarters of the PLO, quarters which might be loyal to 'Arafat, that the PLO has condemned such actions. [Passage indistinct]. Does this mean that such actions are harmful to the Palestinian cause?

[Al-Qadhdhafi] First of all I am not talking about whether this action is being supported or not supported. I am talking about what the Israelis and Americans are responsible for — terrorism throughout the world — and that they have forced the Palestinians to carry out these actions. What is happening now seems to be a reply to the massacres carried out by Israeli aircraft in Tunis. Dozens of Palestinians were killed. [English translation says "thousands were killed"]. Therefore the Israelis have no right to talk about revenge because this operation was in revenge for an action that was carried out by the Israelis. If the Israelis reply to this action, then there will be another reply by the Palestinian resistance, and it would be more violent. I mean the Palestinians [words indistinct]. If the Israelis would like to enter this race, let them do so. This is what the Palestinians want, because the Israelis cannot continue in this race. But the Palestinian people are ready to continue it because they have no land and no state, they are chased and persecuted everywhere. They have to undertake this action. These actions will escalate until there is a recognition of the Palestinian people and their state in Palestine.

[Question] What is your opinion of the latest statement by the Israeli prime minister that you are the worst phenomenon to appear in modern history?

[Al-Qadhdhafi] The worst phenomenon is the existence of the so-called Israel on earth. The worst phenomenon is the existence of an actor ruling a superpower, such as America.

[Question] Are you afraid of the existence of a conspiracy planned by the CIA for your assassination and which could be successful?

[Al-Qadhdhafi] [Words indistinct] dirty imperialists and their Zionist lackeys. We are a nation and they cannot destroy this great nation. [Words indistinct] any such thinking is extremely naive and silly.

[Question] How do you assess the American military presence in the Mediterranean region?

[Al-Qadhdhafi] It is an aggressive presence which threatens peace, threatens all the Mediterranean peoples, and threatens trade in the Mediterranean; it should be removed.

[Question] Why did you reject Husni Mubarak's invitation to visit Egypt to meet him? Is it that you are afraid of a conspiracy against you which might be successful?

[Al-Qadhdhafi] No, no, no, I am not afraid. I have surpassed the stage of fear. But our relations with Egypt have been severed and Egypt is blacklisted because of its recognition of the enemy.

[Question] Do you support [words indistinct]?

[Al-Qadhdhafi] We support the struggle of the Palestinian people because it is a sacred struggle for freedom. The American threats will not make us abandon our principles and just causes.

[Question] I am asking you specifically about the kind of assistance which you render to the Palestinian resistance movement led by Abu Nidal [Sabri al-Banna].

[Al-Qadhdhafi] All that the Libyan people have — the Libyan people have decided that all they have is at the disposal of the Palestinian people. But we are not responsible for the kind of field operations which are carried out by the Palestinian fedayeen. Otherwise we would consider America responsible for all the terrorist, irresponsible, and anti-international law operations which are carried out by the Israelis in the Middle East and in the world using American weapons.

[Question] [Words indistinct] Husni Mubarak of planning and organizing the hijacking of the Egyptian aircraft which ended in the death of about 75 persons. What is your reason for accusing him [words indistinct]?

[Al-Qadhdhafi] Husni Mubarak is a defeated man who receives orders and says what is required of him.

[Question] Was Husni Mubarak successful in his dealing with the hijacking of the Egyptian aircraft and in the orders which he gave to the Egyptian commandos to attack the aircraft?

[Al-Qadhdhafi] These things are known, and they are finished.

[Question] Why does the United States describe you as an international terrorist?

[Al-Qadhdhafi] Because I want to liberate the Arab nation and to unite it, and because I want to resist American domination and imperialism, and America does not like that. America wants to colonize us, and I am resisting it. For instance, they term the struggle of the Palestinian people as terrorism. [Words indistinct] terrorism. In the same way we can say that George Washington was a terrorist, Abraham Lincoln was a terrorist, Garibaldi was a terrorist, Mazzini was a terrorist, and [name indistinct] the Italian was a terrorist. That is it, consider the history of peoples' struggle as terrorism.

[Question] Do you still have hopes of achieving Arab unity?

[Al-Qadhdhafi] Arab unity is essential and inevitable.

[Question] Is Abu Nidal a member of the revolutionary leadership which was established in the past few months?

[Al-Qadhdhafi] I reject limiting the sacred international issue of the Palestinian people and their struggle by affiliating it with Abu Nidal or anyone else. This is trivializing the issue and we completely reject it. There are a million Abu Nidals among the Palestinian people. You used to think that Wadi' Haddad was the only terrorist. The Palestinian people are continuing their struggle. If Abu Nidal dies tomorrow, there will be another Abu Nidal. Perhaps Abu Nidal is another Wadi' Haddad; there is no Wadi' Haddad any longer, but there is Abu Nidal. This means there is a second, third, fourth, and thousandth Wadi' Haddad.

[Question] What is your opinion and comment on the way you are being described by the U.S. Administration, especially by U.S. President Reagan, as the most dangerous man in the world? You have been described as a madman, a megalomaniac trying to [words indistinct].

[Al-Qadhdhafi] There is nothing more crazy, trivial, and illogical than Reagan in this age. Those who are leading the world to war are Reagan and Israel. Threatening Libya, Syria, and Iran is tantamount to pushing the world to war. If there is an aggression against Libya, it would be the beginning of the end. This would be an endless war. This would mean bringing war to the Mediterranean. There would be no trade, no U.S. merchant ships or planes, no military, and no Israel. Aggression against Libya would mean war. Libya will not reply in a limited way, but it will declare war in the Mediterranean and in the Middle East. This war will not end. Either imperialism and Zionism or the people will remain in the end.

[Question] Since you are a friend of the Soviet Union and the Soviet Union listens to your views and [words indistinct] because you are strong man and have influence in the world.

[Al-Qadhdhafi] [Words indistinct] of the peoples of the Arab nation, and [word indistinct] the peoples of the Arab nation. We have supported all the peace and freedom-loving peoples. Any aggression against Libya is an aggression against the cause of freedom and [word indistinct] everywhere in the world. Aggression against Libya is the most dangerous example of playing with fire in this era.

[Question] In your opinion, what should be done in the Middle East so that war and terrorism can end?

[Al-Qadhdhafi] The Jews should return to their countries and Palestine should remain for the Palestinians.

[Question] Where is the land of the Jews?

[Al-Qadhdhafi] Everyone of them came from his country. Let him return to his country. If he came from Libya he returns to Libya. The Libyan Jews should return to Libya.

[Question] Does this mean that if the Libyan Jews have to return to Libya, they will be accepted as [word indistinct]?

[Al-Qadhdhafi] [Passage indistinct].

[Question] The international press and news agencies in general convey a black image of you as a terrorist. Can you say anything about [words indistinct]?

[Al-Qadhdhafi] [Laughs] I am an honorable man and I have not committed any terrorist action. I staged a revolution and the revolution is a sacred action, and I work toward the liberation and unification of my Arab homeland. This action is my duty and it is a legitimate action. We have not gone to colonize America or to colonize Europe, but they are the ones who are coming now to threaten us in our homes. Since America is now conquering outer space, we hope that it will look for a planet for us, Arabs, Iranians, and Latin American peoples while America and Zionism consider the earth as their own property. We did not know that the earth was created only for the Americans and for the Zionists. We are wrong, we thought that the earth is for the entire human race, but we found out recently that it was created only for the Americans and for the Zionists. Find us another earth, please do that, because you have spaceships.

[Question] Do you want to see peace in the world?

[Al-Qadhdhafi] Definitely. But peace will only be achieved if Palestine is liberated and the base of international terrorism, which is Israel and America, is eradicated. Lastly — for the second and last time — I reject any reference in the international media to the fighting Palestinian quarters as terrorist organizations because the terrorist organizations are the Zionist organizations which occupied Palestine. When we hear the words terrorist organizations, we think that this refers to the Zionist organizations which occupied Palestine. When they talk about the state which protects terrorism, there is nothing in our minds except America. It is the only country in the world which protects terrorism. We hope that America and the Israelis will commit the mistake of launching an aggression against Libya. [Words indistinct]. In the Middle East and on the Mediterranean, perhaps in the whole world. I am warning them while they have the chance.

[Question] What are the achievements of the Libyan Arab Jamahiriyah from the end of the colonial period till today?

[Al-Qadhdhafi] The country is open for you to see the achievements. You are a friend of the Americans, [words indistinct] Reagan to the American people, not the government because the government supplies the Zionists. Explain to the American people which country is a terrorist country and which country builds itself and wants to live in peace, freely on its soil. [Words indistinct] go around and see. [Words indistinct] in resisting Zionism.

[Question] [Passage indistinct].

[Al-Qadhdhafi] Look at the Americans who live in Libya, [words indistinct] we are a country of peace and a country of generosity, and they are secure here, a thousand times more secure thay they would be in America. [Words indistinct] in Libya a thousand times more than in America.

[Question] [Passage indistinct].

[Al-Qadhdhafi] Actually, after the meeting between brother Hafiz al-Asad and King Husayn [laughs] the (?road has become open) for the meeting between Al-Qadhdhafi and Mubarak. But the meeting between Mubarak and I is, if it happens, a different matter. It is a conditional meeting [words indistinct].

[Question] [Passage indistinct].

[Al-Qadhdhafi] Yes, because we consider it a defeat for the capitulatory policies and a return to the line of steadfastness which is adopted by Syria.

[Question] [Passage indistinct].

[Al-Qadhdhafi] [Words indistinct] because while on the line of capitulation they found that it is a dead-end road. Then they returned to the line of steadfastness in Syria.

[Question] [Passage indistinct].

[Al-Qadhdhafi] We have done this and more. I sent a very important letter to our brothers, the leaders of the Iranian revolution, which stressed that it is essential to end the Gulf war provided the Iranians and Arabs devote themselves to liberating Palestine. If this message is accepted people will witness very grave developments.

[Question] [Passage indistinct].

[Al-Qadhdhafi] [Words indistinct] Lebanese people. We support Syria in all the efforts it is making regarding Lebanon, although our brothers in Lebanon have come to me at times and said that any Syrian solution for Lebanon must not be at the expense of the environment in which the Lebanese live. Whenever objections or opinions expressed by the Lebanese or Palestinians in Lebanon reach me I convey them to our brother Hafiz al-Asad. We are [word indistinct] that he is concerned about Lebanon's [word indistinct], freedom, security, and peace as much as he is concerned about Syria.

[Question] [Words indistinct] Have you taken any measures to combat any expected attack by the United States and Zionism on Libya or on [words indistinct]?

[Al-Qadhdhafi] The Libyan people are training in the use of arms and will shoulder the responsibility of defending themselves.

[Question] [Passage indistinct].

[Al-Qadhdhafi] As for the Palestinians, there are Palestinian civilians, intellectuals, employees, [word indistinct], students, and

experts here. If they are pursued in Libya, we have every right to pursue U.S. citizens and Jews in the streets of occupied Palestinian towns and treat them likewise. We shall pursue U.S. citizens in their country and streets. We shall pursue Jews in the streets of occupied Palestine.

[Question] What is your opinion regarding [words indistinct] Austarlia? Is the most important of these its strong relations with Israel? Does it work against the [words indistinct] interests through these relations?

[Al-Qadhdhafi] Naturally, anyone who deals with these Zionist terrorists cannot establish good relations with the Arab nation.

Demonstrations Held Against U.S.-Zionist 'Threats'
LD021910 Tripoli Domestic Service in Arabic 1330 GMT 2 Jan 86

[Text] Masses of the Basic People's Congresses and students took to the streets in various parts of the Jamahiriyah in an angry demonstration against the American and Zionist threats against the Arab Libyan people and their revolutionary options. The popular masses of Yifrin city, the student masses of Al-Fatih University Education College, popular masses in Nalut municipality, and Sabha's local security volunteers gathered in the streets in a massive demonstration to denounce the American and Zionist threats that aim to shake the Arab Libyan people's security and stability and harm their giant achievements that have been attained by the Great Al-Fatih Revolution. The masses of the Basic People's Congresses affirmed their readiness to face up to any aggressions by American imperialism or the Zionist enemy against the Socialist People's Libyan Arab Jamahiriyah. The popular masses also affirmed that they will be the vigilant eye defending the Great Al-Fatih Revolution's principles and objectives, and that they are prepared to form combat units and suicidal detachments to strike American and Zionist interests if they attempt any aggression against the Arab Libyan people.

There was a demonstration in Misratah city yesterday afternoon in which masses of students participated, denouncing the U.S. Government and its Zionist allies' threats and provocations. A number of speeches were read at this demonstration which affirmed the students readiness to immediately form combat and suicidal detachments to confront any enemy that aims to harm the Jamahiriyah's people and the people's achievements attained through the Great Al-Fatih Revolution.

The revolutionary forces at the vocational congresses in Ajdabia municipality staged an angry demonstration against the U.S.-Zionist threats aimed at the Arab Libyan people. The demonstrators issued a statement in which they denounced terrorist actions against the Jamahiriyah's people and their historic leadership.

The student masses in Al-Zawiyah municipality staged a demonstration yesterday morning against the American and Zionist threats against the Socialist People's Libyan Arab Jamahiriyah. The demonstration's participants affirmed their preparedness to strongly confront any threat aimed at harming the great achievements attained by the Great Al-Fatih Revolution.

The masses of the Basic People's Congress in Tripoli — the center, the Green Square — have decided to form combat units and suicide detachments to implement the order of death and to open the squares and barracks to train fellow citizens, male and female, in carrying arms. This was done after the masses of the Basic People's Congress decided to halt discussions regarding their agenda and instead held an emergency meeting to discuss the American and Zionist threats against the Arab Libyan people.

During this discussion, the popular masses affirmed, that the aggressive and flagrant American-Zionist threats will give the Arab Libyan people, who possess authority, wealth, and arms, even more determination and insistence to adhere to freedom and to defend it, and to confront the economic siege which the imperialist circles are attempting to impose upon the Arab Libyan people.

Egypt Rejects Participation in U.S. Planned Attack
LD031055 Tripoli JANA in Arabic 0915 GMT 3 Jan 86

[Text] Tripoli, 3 Jan (JANA) — The Kuwaiti *AL-RA'I AL-'AMM* spoke yesterday about Egypt's rejection of the use of Egyptian air bases in the western desert as well as the participation of the Egyptian Air Force in attacking Libya.

The paper cited what it called a reliable but unnamed source as saying that an American delegation had arrived last Tuesday in Cairo to discuss with the Egyptian Government the measures which America is preparing against Libya.

A press source commented on this news and said: We in Libya know the difference between fat and lean and are fully aware of what is behind the spreading of such news and the attempt to mislead public opinion, particularly Arab public opinion. It is a cheap attempt — bait put in the wrong place. The source added that this item of news is nothing but a lie recommended by the American Administration; however, let it be known to everybody that no one can play with fire on the borders of Libya.

The press source concluded its comment by saying: Who knows, this lie might change into reality with the land of Egypt again becoming a base for the Jamahiriyah to eradicate the Zionists and American imperialism — as has happened in the past.

People's Bureau Denies Expulsions From Spain
LD021926 Kuwait KUNA in Arabic 1817 GMT 2 Jan 86

[Excerpts] Madrid, 2 Jan (KUNA) — Spanish diplomatic sources today disclosed that Spain had expelled three Libyan nationals, one of them an employee at the Libyan People's Bureau in Madrid without diplomatic status during the first half of last December. The Spanish Foreign Ministry this evening confirmed this report, stressing that no diplomat was among the three Libyans. The press spokesman at the Libyan People's Bureau has denied to KUNA this report and has stressed that the bureau "embassy" was surprised at such reports in the Spanish information media and said that this information is unfounded.

Jallud Meets With USSR Ambassador 2 Jan

LD031106 Tripoli JANA in Arabic 1005 GMT 3 Jan 86

[Text] Tripoli, 3 Jan (JANA) — Staff Major 'Abd al-Salam Ahmad Jallud met yesterday with the USSR ambassador to the Socialist People's Libyan Arab Jamahiriyah.

Commentary Justifies Palestinian Struggle

LD030411 Tripoli Voice of Greater Arab Homeland in Arabic 0015 GMT 3 Jan 86

[Station commentary]

[Excerpts] Why does America provoke the people of the Jamahiriyah? What is the reason for these hostile American exercises and stances against the people of the Jamahiriyah? What is the reason for these American propaganda campaigns attempting to fabricate charges of terrorism against the Libyan Arab people and its historic leadership? The Jamahiriyah has not and will not think about occupying a U.S. state or states; it has not and will not consider sending a naval fleet to the Atlantic or Pacific U.S. coastal waters; it has not and will not think about establishing military bases near U.S. territories to [word indistinct] aircraft and violate U.S. airspace. If this were the case, then it could rightly be said that the United States is provoking the Jamahiriyah, harboring enmity towards it, and launching propaganda campaigns against it in order to defend the sanctity of U.S. territories.

The Jamahiriyah's support for the Palestinian Arab people is distinctive and clear. The Jamahiriyah is not the kind of country that is afraid that [words indistinct] should know Libya is supporting the Palestinian Arab people's struggle, because they have been deprived of their land and all their rights and are harassed everywhere. They are forced to fight until they and their state in the whole of Palestine are recognized. Even if the U.S. is indignant at the Jamahiriyah because it is supporting the Palestinian Arab people's struggle, the Jamahiriyah will not retreat from the just principles and causes, nor will the United States make the Jamahiriyah renege on the decision to put everything it has at the disposal of the Palestinian people. These people have the right to determine the kind of military operations in the war against Zionism in order to destroy it, and against the world's indifference to the injustice done to them. The Jamahiriyah believes that the Palestinian peoples' struggle is a sacred struggle for freedom and if the U.S. believes this struggle is terrorism, it will force us to brand George Washington and Abraham Lincoln, who fought for the establishment of the U.S. state, as terrorists. Consequently, we must brand the U.S. history — short as it is — as terrorism.

The earth was not created for the United States and Zionists, and the world is not a U.S. and Zionist feudal estate. The world will not know peace and stability without destroying imperialism and Zionism. [several seconds break in reception] Any struggle of any people of the world against imperialism, Zionism, and racism is struggle for peace and not terrorism as the U.S. would like to portray it. Is not the Zionist occupation of Palestine terrorism? Were not the massacres of Dayr Yasin, Sabra, Shatila, and Kafr Qasim terrorism? Was not firing at the Libyan civilian passenger plane in 1973 terrorism? Was not the slaughter of students at Bahr al-Baqar terrorism? Is not the occupation of southern Lebanon terrorism? Is not the presence of U.S. fleets in the Mediterranean terrorism? [Passage indistinct].

Palestinians do not have to defend their right to exercise armed struggle. This struggle's legitimacy or illegitimacy are not subject to U.S. decision; it is legitimate and [word indistinct] despite America. In fact it assumes added legitimacy and sacredness because America considers it terrorism and tries to destroy it. If the U.S. decides to set fire to the land in this vile game, let it know that the Mediterranean will change into a sea of fire. [Passage indistinct].

MOROCCO

Democratic, Popular Action Organization Meets

LD310803 Rabat Domestic Service in Arabic 1300 GMT 30 Dec 85

[Mohamed Dakka report]

[Text] The first conference of the Organization of Democratic and Popular Action issued a political statement in which it stated its standpoints vis-a-vis national matters, and the Arab and international situations. Mohamed Ben Said was elected secretary general of the organization.

A report on the work of the conference from our correspondent Mohamed Dakka: The first conference of the Organization of Democratic and Popular Action ended its work in Casablanca late last night. The final session was held around 0230 this morning when it was announced Mohamed Ben Said had been elected secretary general of the organization heading a national secretariat composed of nine members, which is derived from a central committee composed of 55 members elected by absolute majority. The conference issued a political statement also ratified by an absolute majority, which listed the organization's standpoints on national, regional, Arab, and international issues. The statement expressed the support of all the Moroccan people for the battle for retrieving the Saharan provinces. It saluted the heroic role of the Royal Armed Forces in the defense of the homeland and defeating of the hegemonist and expansionist plans of the adversaries of Morocco.

The conference listed the important reconstruction works carried out by Morocco in its Saharan provinces and appraised the political initiative which aims to hold a referendum in the Sahara under the auspices of the United Nations. This shows the falseness of Algeria's standpoints and those of the adversaries of Morocco.

The conference saluted the heroic stances of the Algerian militants who supported the Moroccan people on the issue of its territorial integrity. On the other hand, the conference condemned the attempts of Hispanization of the two cities of Ceauta and Melila.

In the economic field, the statement emphasized maintaining the program of urgent reforms announced by the organization. This

program particularly calls for the orientation of the agricultural policy toward food security and the protection and orientation of the public sector and reform of the tax system toward a decrease of indirect taxes. It also mentions granting priority to the citizens' needs in the social domains, as well as lessening the priority given to the repayment of foreign debts.

On the political level, the conference emphasized the necessity of strengthening the democratic path in the framework of plurality as an introduction to economic development.

With respect to the Arab situation, the statement appraised the balanced steps of the Arab-African Union, which proves the possibility of cooperation and coordination despite the differences between regimes, and emphasized the commitment to the work for the sake of launching the march of the unity of the Arab Maghreb peoples against narrow tendencies. It also emphasized standing by the side of the PLO, as the legitimate and sole representative of the Palestinian people with the demand for democratic dialogue as the only outlet for the crisis of the divisions between the Palestinian factions.

It announced the conference's support for the Iraqi standpoint seeking to end the war in the Gulf and working for the sake of peace, and emphasized support for the struggle fo the Eritrean people for self-determination.

PPS-Communist Paper Views Ties with Libya

LD281337 Rabat MAP in English 1212 GMT 28 Dec 85

[Text] Rabat, Dec 28 (MAP) — The series of measures taken by the Arab-African Union (AAU) commission in charge of preparing the agenda of the AAU Executive Committee "is an outright refutation to all those who say in this alliance but a conjunctural and casual "scheme" solely directed against some Maghreban parties and doomed to rapidly split", wrote *AL-BAYAN*. [Sentence as received]

In its Friday release the organ of the Moroccan Party for Progress and Socialism (PPS-Communist) cited in its editorial titled "The Arab-African Union: Consolidation" some measures taken by Libya and Morocco to enhance their cooperation. Among these measures the daily cited the resolving of [word indistinct] hampering the cooperation between Libyan and Moroccan firms and ventures, the accomplishment of a joint venture for fertilizers processing which allies the Moroccan phosphates and the Libyan gas, the exploitation of the iron ore of the Rif Mountains, northern Morocco, to the benefit of the Libyan iron metallurgy complex of Musorata, the creation of a joint venture for fisheries, the boosting of air transports between the two countries, the allotting of bank facilities for Moroccan companies in Libya, the setting up of a joint ventures for the building, equipping and maintenance sector and the promotion of cooperation in vocational training, social security and public health sectors.

"Sure, the daily argued, the AAU faced problems" and "the unity formula which really preserves the freedom of the two parties both on the internal political plan and the diplomatic field had 'fluctuated' following divergent stances which remain on some central issues", but the daily went on, "the best way to overcome these obstacles is to conciliate the political dimension of the AAU with concrete achievements by reinforcing the latter so as to bestow on the union its structural dimension".

SUDAN

SPLA Occupies Southern Town of Yirol 27 Dec

EA021531 (Clandestine) Radio of the Sudanese Peoples Liberation Army in English 1300 GMT 2 Jan 86

[Excerpt] The SPLA [Sudanese People's Liberation Army] forces of Shark and Rhino Battalions under the direct combat command of Major Bona Abang Dhol have captured and occupied Yirol town on 27th December 1985.

The fall of Yirol, according to a radio correspondent accompanying Shark and Rhino Battalions, came after two consecutive attacks on the enemy in Yirol by the SPLA forces. Yirol District is now totally free of enemy forces and is a liberated area. The offensive has moved towards Rumbek after SPLA forces of Twik Twik under Lieutenant Colonel Daniel Aweid Akuot wiped out Siwar al-Dhahab's Battalion 240 at Bahr El Nam on 24th December 1985.

Garang Congratulates SPLA

EA021935 (Clandestine) Radio of the Sudanese People's Liberation Army in English 1300 GMT 2 Jan 85

[Excerpts] In Yirol the fleeing enemy left behind the following materials:

Two Magirus trucks with registration No 31038 and 31090, 2 Toyota trucks which Siwar al-Dhahab's army had commandeered from (Thankar) secondary school and 2 RCC vehicles No RCC 2457 and RGL (?5), 1 lorry No 7 D H 3581, 1 landrover No 1959 RGB, 3 motor boats French-made, large quantities of medicine, 4 motorcycles, 1 television set, refrigerator, 2 mortar guns, 2-inch, with 9 boxes of shells and lots of shells of 82-mm mortar guns 2-inch, with 9 boxes of shells and lots of shells of 82-mm mortar.

In appreciation, the commander in chief of the Sudan People's Liberation Army and chairman of the Sudan People's Liberation Movement Provisional Executive Committee, Colonel Dr John Garang de Mabior, passes his revolutionary greetings and congratulations and those of the SPLA High Command members to Major Bona Abang Dhol, officers and men of Shark and Rhino Battalion for this great and historic victory.

Chief of Staff Says Army To Keep Out of Politics

EA022105 Omdurman Domestic Service in Arabic 1700 GMT 2 Jan 86

[Text] This afternoon General 'Abd al-Rahman Muhammad Hasan Siwar al-Dhahab, chairman of the Transitional Military Council [TMC], and Dr al-Jazuli Daf'allah, the prime minister, attended a ceremony at the Sudanese military college, marking

the passing-out of the 34th batch of cadets. Altogether 92 military cadets were on parade. Gen Siwar al-Dhahab distributed prizes to the top students. A decree from the TMC, commissioning the military cadets, was read, then General Muhammad Tawfiq Khalil, the chief of general staff, addressed the gathering and said: We intend to back up the men of the Armed Forces, so that they can discharge their duties in the homeland in accordance with the great responsibility placed on their shoulders. The Armed Forces will keep out of party politics and will work for the good of the homeland in defense of democracy. His excellency stressed that the Armed Forces will remain aligned with the masses in order to achieve their wishes and aspirations. His excellency asked the graduating students to be highly conscious of the responsibility placed on them.

Air Base To Be Improved, Two Airports Planned

JN021531 Khartoum SUNA in Arabic 1433 GMT 2 Jan 86

[Text] Khartoum, 2 Jan (SUNA) — Lieutenant General Muhammad Mirghani, Transitional Military Council member and Air Force commander, has announced that work is under way to improve and complete the Wadi Sayyidna Air Base in Omdurman in order to use it as an alternative for Khartoum International Airport in emergency cases, in addition for use by jetfighters.

In a statement today, his excellency explained that there is a plan for building two airports in the western and southern parts of the country in order to enable the Air Force to deploy there and use their abilities in an ideal way.

TMC Issues 1985 Press, Publications Law

JN311729 Khartoum SUNA in Arabic 1430 GMT 31 Dec 85

[Text] Khartoum, 31 Dec (SUNA) — The Transitional Military Council today issued the Press and Publications Law of 1406 hegira [1985] after it was approved by the Cabinet. The law provides for establishing a council based in Khartoum to be called the Press and Publications Council. The Council shall be an independent institution with corporate status. It shall also have a succession, be permanent, and hold a public seal. The Council shall also enjoy the right of litigation in its name and shall be under the supervision of the Cabinet.

The Cabinet shall issue a decision on the formation of the Council. The chairman of the Council shall be from among personalities which are known for their competence and objectivity. The members of the Council shall consist of: two representatives of the press syndicate; one representative of newspaper proprietors; two representatives of professors of information and journalism in Sudanese universities and higher institutes chosen by the National Council of Higher Education; the director of the government printing press; a retired judge chosen by the chief justice; one representative of the Ministry of Culture and Information appointed by the minister of culture and information; one representative of chief editors of newspapers who shall be elected by them; and three national figures from among those known for their objectivity.

The law has defined the powers of the Press and Publications Council as follows:

1. Use legitimate methods to protect the democratic system, assert and reinforce freedom of opinion and expression, and defend the freedom and independence of the press.

2. Elevate the professional level of newspapers and maintain a higher level of performance by keeping abreast of technical developments, supervising training, and exchanging expertise.

3. Draft a charter of honor for journalism to organize the professional conduct of those employed in all sectors of the press, as well as press establishments, provided that this charter does not conflict with any code of honor which may be approved by the press syndicate and made binding on its members.

4. Consider complaints and grievances submitted by the public against the press and organize a system of disciplinary actions, governed by its laws, against its members or individuals and groups governed by other laws.

5. Form a committee to register journalists and grant them the necessary professional identity cards enabling them to practice journalism.

6. Supervise the work of foreign journalists and Sudanese working as correspondents for foreign news agencies and newspapers and specify the manner in which they are to be accredited and registered by consultations with other quarters and in accordance with requisitions to be issued for this purpose.

7. Supervise the auditing of newspaper accounts by chartered accountants, publish the balance sheets in the press, and take all other suitable measures.

8. Submit an annual report on its work and journalism to the Cabinet.

The law provides that Sudanese have the right to publish newspapers in accordance with provisions of the law. However, it is impermissible to issue any newspaper or publication without obtaining a licence from the Press and Publications Council.

The law permits institutions, organizations, groups, and foreign communities in Sudan to publicize their own private newspapers after obtaining a licence from the council. The law further provides that the council may ban the entry or circulation of foreign newspapers and publications if they are subject to a boycott, detrimental to public ethics, or harmful to religious beliefs. Anyone affected by such a ban may appeal to the Supreme Court within 30 days from the date of the ban. The law also requires every newspaper or publication to abide by the following rules:

1. Reinforce principles of freedom and affirm the exercise of democracy.

2. Uphold the traditions and ethics of the profession and refrain from vituperation, slander, and defamation against organizations, parties, and individuals.

3. Avoid harming religions and creeds.

4. Observe truth and objectivity in tackling public affairs and adopt the method of honest criticism which is free of any bias when tackling various issues.

5. Adhere to objectivity on everything written or published in the field of criticism regarding individuals or public figures.

6. Avoid sensationalism and exaggeration in matters relating to police investigations and trials, endeavor to assert the supremacy of the law, and refrain from commenting on police investigations and trials until a verdict has been issued.

7. Refrain from publishing reports and information harmful to national interests or prejudicial to foreign heads of state and the good relations between Sudan and fraternal states.

8. Refrain from publishing anything harming public morals or people's dignity, revealing any secret which might harm the reputation or wealth of any person, or publishing anything intended to threaten any person or force him to pay money or render any benefit to another person or deprive him of freedom to work.

9. Refrain from publishing anything which instigates crime, rancor, or discord among members of society.

The law includes special rules dealing with financial affairs, revenues, and budget of the Press and Publications Council. It also includes general rules on appointment of the Council's secretary general, punishments for violating provisions of the law, and the Council's right to issue its own bylaws.

University Teaching Assistants To Strike 4 Jan

JN021050 Khartoum SUNA in English 0928 GMT 2 Jan 86

[Text] Khartoum, Jan 2 (SUNA) — The teaching assistants in Khartoum University have decided to stage a week-long strike in effect from Jan. 4.

The teaching assistants resorted to go on strike after the failure of all efforts exerted by a committee from the assistants and the university's lectureres trade union [words indistinct] teaching assistants demand for better financial conditions and adequate training.

TUNISIA

Total Number of Workers Deported From Libya Updated

LD290237 Tunis Domestic Service in Arabic 1200 GMT 28 Dec 85

[Text] The number of Tunisians deported from Libya since the middle of Saturday, 21 December 1985, until midday today, Saturday 28 December, has reached 18 people, according to the General Directorate of (?Security) Statistics. Thus, the total number of Tunisian workers deported since the Libyan authorities began their deportation process has reached 31,631 people.

ETHIOPIA

Mengistu Sends Sudan, Cuba Anniversary Messages

Message to Sudan

EA312335 Addis Ababa Domestic Service in Amharic 0900 GMT 31 Dec 85

[Text] Comrade Mengistu Haile Mariam, Workers Party of Ethiopia Central Committee secretary general, PMAC [Provisional Military Administrative Council] chairman, and commander in chief of the Revolutionary Armed Forces, has sent a congratulatory message to the fraternal people of the Sudan on the 30th anniversary of the independence of the Republic of the Sudan, which will be celebrated tomorrow.

In his message to His Excellency General 'Abd al-Rahman Muhammad Hassan Siwar al-Dhahab, chairman of Sudan's Transitional Military Council, our comrade revolutionary leader expressed pleasure over the anniversary on behalf of the people and Government of revolutionary Ethiopia and on his own behalf.

In his message, Comrade Mengistu Haile Mariam expressed confidence that the historical relations, friendship, and cooperation between the two sisterly countries will be strengthened for the benefit of the people of the two countries.

In conclusion, he wished prosperity to the fraternal people of the Republic of the Sudan and good health to His Excellency Gen Siwar al-Dhahab.

Message to Cuba

EA011954 Addis Ababa in English to Neighboring Countries 1530 GMT 1 Jan 86

[Text] The general secretary of the Central Committee of the WPE [Workers Party of Ethiopia], Comrade Mengistu Haile Mariam, chairman of the Provisional Military Administrative Council and commander in chief of the Revolutionary Armed Forces, today warmly congratulated the people and Government of Cuba on the occasion of the 27th anniversary of that country's revolution.

In a message to President Fidel Castro of Cuba, Comrade Mengistu noted that the excellent fraternal relations between Cuba and Ethiopia are based on firm foundations, thus leading to the highest degree of mutual understanding and close cooperation.

He said that the continuous exchange of visits at various levels also demonstrates the determination of our two parties and governments to strengthen and deepen their all-around cooperation.

KENYA

Moi Meets Ugandan Minister; Cites Conditions for Visit

EA021705 Nairobi Domestic Service in English 1600 GMT 2 Jan 86

[Text] His Excellency President Daniel arap Moi, today at state House, Nakuru, received the Ugandan foreign minister, Mr Olara Otunnu, who briefed him about the situation in Uganda. After the briefing, President Moi asked Mr Otunnu to thank the Uganda head of state, General Tito Okello, for having invited him to visit Uganda and address a conference, which would include the joint military council next Saturday 4 January.

Expressing his willingness to visit the country, President Moi, however, said that certain arrangements needed to be effected as per the Uganda peace agreement. He cited such arrangements as the formation of the new joint military council, the demilitarization of Kampala and the opening of the Masaka/Mbarara road.

President Moi said that once these arrangements had been effected he would then indicate when to visit Kampala. He called on the chairman of the high command of the NRA, Mr Yoweri Museveni, and the other agreed forces to nominate their representatives to be appointed to the military council in accordance with the numbers agreed upon.

MAURITANIA

President Receives Mitterrand Message of Praise

LD020037 Nouakchott Domestic Service in Arabic 2030 GMT 1 Jan 86

[Excerpt] Colonel Maaouiya Sidi Ahmed Ould Taya, chairman of the Military Committee for National Salvation and head of state, this evening received the French ambassador to Mauritania. After the meeting, the French envoy told the national press that at this meeting he conveyed a message from French President Francois Mitterrand to the Mauritanian head of state, adding that this message contained congratulations from President Mitterrand to his excellency the head of state for the efforts made to resolve the dispute which broke out recently between the Republic of Mali and Burkina Faso.

Mitterrand said that the head of state was the first to move to end this dispute, as witnessed by the travel of envoys between the capitals concerned.

These efforts have resulted in the signing of a cease-fire agreement which is now in force.

Our country was elected to fill the post of deputy head of the observers unit which oversees the cease-fire.

He added that these results are considered a source of satisfaction as far as our country is concerned, a fact which made the French president congratulate his excellency the head of state and thank him for these important results.

SEYCHELLES

People's Assembly Approves Budget for 1986

AB310950 Paris AFP in English 0401 GMT 31 Dec 85

[Text] Victoria, Dec 31 (AFP) — Seychelles President France Albert Rene presented a 686-million-rupee ($105-million) budget for 1986 which was passed by the People's Assembly on Monday.

The budget represents an eight percent increase over that of 1985 and 13 percent of it will go to education and information, whilst the Ministry of Youth and Defence will receive 11 percent.

Mr Rene stressed that his government will be laying special emphasis on tourism, industrial fishing, oil exploration and manufacturing for local consumption. Tourism is still the main source of foreign exchange earnings for the islands 65,000-odd inhabitants. In 1985, when a long-term lease was signed with Air France to provide Air Seychelles with a steady carrier, revenue from that source increased by 20 percent from 1984.

Mr Rene also announced a complete restructuring of tax collection, scrapping duty on imported goods and the five percent-retail turnover tax. These, he said, would be replaced by a new system of trades tax, which will be paid by wholesalers, manufacturers and retailers, whereby sales prices to consumers for goods and services will remain unchanged. Farmers will be exempted from paying income tax and Central Marketing Board which will be the sole buyer and distributor of fruits and vegetables, will in collaboration with the state's assurance company set up a fund to help those who suffer losses resulting from floods and other natural disasters.

SOMALIA

Opposition Group Cites Government Troop Losses

NC311627 Paris AFP in English 1620 GMT 31 Dec 85

[Text] Nairobi, Dec 31 (AFP) — The Somali Salvation Democratic Front (SSDF), one of the main groups fighting the U.S.-backed regime of Somali President Mohammed Siad Barre, today said it had killed a total of 629 soldiers and wounded 765 in operations inside the east African state between March and July this year.

In a broadcast monitored here, the opposition Radio Halgan (Struggle), said SSDF forces had also captured 22 soldiers and destroyed large amounts of equipment including tanks and armoured personnel carriers.

The broadcast was one of the first by Radio Halgan, which is thought to broadcast from inside Ethiopia, for several months, apparently because of a fierce power struggle in the movement's ranks.

The radio had said in a broadcast early this month that a new commander, Mohammed Abshir, had taken over the movement after former SSDF leader and founder Colonel Abdullahi Yusuf was forced to step down due to deep political divisions.

The split had "almost paralyzed" the organization, the radio added.

Today's broadcast said the Somali Government casualties came in 15 separate operations by the SSDF in southern, central and northern Somalia, particularly in the Mudug, Galgadud, Hiran, Bakol and Gedo areas.

It gave SSDF losses as 52 dead and 70 wounded.

The SSDF has largely been active in combat operations in central Somalia while another armed Somali opposition group, the Somali National Movement (SNM), has been active in the north.

UGANDA

Army Chief Denies BBC Report of Killings

EA021211 Dakar PANA in English 1054 GMT 2 Jan 86

[Text] Kampala, 2 Jan (UNA/PANA) — Uganda's chief of (?defence) forces, Lt. Gen. Bazilio Okello has refuted a BBC report, Tuesday, that over twenty people were killed in Tororo district, in eastern (?Uganda) by government soldiers.

The Army chief, who visited Tororo district yesterday, told a rally in Tororo town that contrary to the BBC report, the twenty people had been killed by an organised group of youths most of whom have been arrested. Twenty youths suspected of committing crimes in the district were displayed at the Tororo rally with 27 guns, some of them home-made. Four of the youths said they belonged to one of the minor guerrilla groups which handed over to government, the National Salvation Army.

Leaders in Tororo district reported to Lt.Gen. Bazilio Okello that the deaths and general insecurity in the district have been caused by land disputes and allegations of witchcraft. Lt. Gen. Okello advised Ugandans not to allow their petty problems to be a source of insecurity in the country.

Army Commander Imposes Press, Radio Censorship

AB021730 Paris AFP in English 1632 GMT 2 Jan 86

[Text] Kampala, Jan 2 (AFP) — Uganda's Army commander today banned publication of unauthorized reports on the country's security situation, and angrily accused journalists of publishing "nonsense."

The ban was announced in a statement by Lieutenant-General Bazilio Olara Okello, who said a "press secruity committee" was being set up to implement the censorship rules. "No news regarding security should be printed or broadcast without prior consultation with, and clearance of, the committee," the three-page statement said. "It will scrutinise and approve or disapprove all news items on security forces before they are printed," it added. "Any contravention of this procedure will be dealt with appropriately," the statement said.

Minutes after the statement had been read out, Lt-Gen Okello walked into the press room and angrily told reporters to "stop

this nonsense." He accused reporters of fabricating stories and of running down the country's current military leaders. "I don't want any questions," Lt-Gen Okello said at the end of his short off-the-cuff speech. "I'm going," he said, before storming out of the room.

In his statement, however, Lt-Gen Olara Okello admitted that some of the recent violence in Uganda had been the work of "frustrated soldiers." Soldiers who were either frustrated or did not fully understand the meaning of the peace agreement, especially sections on disarmament and resettlement, had been responsible for some of the sporadic shooting in parts of the country, he said.

The Army commander also said in the statement that he was "very disturbed" about the continued reports of looting and killing in the various parts of Uganda. The Army was taking steps to immediately return all the soldiers to barracks and to accomodate in designated areas all those who could not be accommodated in the barracks, he added. Lt-Gen Olara Okello also said patrols to arrest loitering soldiers and special telephone lines which civilains could use to report indisciplined soldiers would be initiated.

However Lt Gen Olara Okello, who led last July's successful coup against former President Milton Obote, charged that other recent acts of violence had been the work of "political saboteurs." Such saboteurs had "infiltrated certain areas in Uganda with the sole aim of causing chaos and despondency to discredit the government and ultimately to wreck the peace accord," the statement said. This was a reference to the three-week-old peace agreement between the government and the National Resistance Army, the main guerrilla oppsition group.

Briefs

New Banknotes Issued — Kampala, 2 Jan (UNA/PANA): The Bank of Uganda has issued new currency notes in the denominations of one hundred shillings, five hundred shillings, one thousand shillings and five thousand shillings. According to a press release by the bank, the introduction of new notes does not imply currency exchange or conversion but an eventual phasing out of old mutilated notes. The five thousand shilling note which is being issued today for the first time is the highest denominational note in the country. [Text] [*Dakar PANA in English 1055 GMT 2 Jan 86 LD*]

CENTRAL AFRICAN REPUBLIC

Constitution Revision Committee Planned

AB020808 Paris AFP in English 0735 GMT 2 Jan 86

[Text] Bangui, Jan 2 (AFP) — The president of the Supreme Court in Central African Republic has been told to start forming a national committee to revise the Consititution, head of state Andre Kolingba said in his New Year message here.

He said the committee should be the most representative possible of the country's "lively forces".

The general, who seized power in 1981 and banned all political activities, said the committee would have to draw the lessons of earlier "illusions of freedom" which had harmed the country with "pseudo-democracy".

Gen Kolingba said the republic, under the new democracy to be worked out, should be a country where each citizen was "aware of his duties and of the limits of his freedom".

The president first announced the revision committee a month ago, when he amnestied 89 political prisoners and urged opposition figures abroad to return.

He offered a reassurance that nobody would be excluded from the task of national reconstruction.

ZAIRE

Angolan Miiitary Plane Lands; Soldiers Interrogated

AB011438 Kinshasa Domestic Service in French 1130 GMT 1 Jan 86

[Text] Perhaps Angolan military pilots need to undergo further training in aviation because they too often lose their way and take off when the weather is bad, which has forced them to land in Zaire for some time now. This is a very annoying trend these days. In fact, two Angolan aircraft, including an Antonov-26 belonging to the Angolan Armed Forces landed on Monday, 30 December 1985, at 2039 and 2105 at Ndjili International Airport in Kinshasa. According to each plane's crew, the two aircraft are said to have been forced to land in Kinshasa as a result of bad weather. The civilian aircraft, a Lockheed 382, which had only one passenger aboard, was allowed to continue on its way on Tuesday, while the 16 soldiers, including 9 officers aboard the Antonov, are now being interrogated on the true cause for their landing in Kinshasa.

It is recalled that this is the second time within a single month that an Angolan military aircraft has made a forced landing in Zaire. The first Angolan military aircraft, with 44 Cuban soldiers aboard, landed in early December last year about 300 km southwest of Kinshasa in the Bandundu Region. These Cuban soldiers, who later set their aircraft on fire, had been brought to Kinshasa before being allowed, on President Mobutu's orders, to return to Angolan territory on Monday, 23 December 1985.

BURKINA FASO

Sankara Vows Pull-Out, Comments on Libyans

AB021634 Paris AFP in French 1559 GMT 2 Jan 86

[Text] Ouagadougou, 2 Jan (AFP) — Burkina Faso will pull out its troops from the disputed zone of Agacher (northern border) to keep its word even if Mali maintains its forces there, Burkinabe President Thomas Sankara announced today.

Receiving three journalists of the French press, including the AFP special correspondent, Captain Sankara disclosed that six Libyan observers had arrived in Ouagadougou along with Al-Turayki, the head of Libyan diplomacy, in order to monitor the cease-fire in compliance with the draft agreement prepared by Tripoli and Lagos and accepted by the two belligerents, Burkina and Mali.

He specified, however, that the Libyans came uninvited and that it rested with them and with the Nigerians to decide what they will do.

Appreciates Libya's Role

LD011135 Tripoli JANA in Arabic 0940 GMT 1 Jan 86

[Text] Tripoli, 1 Jan (JANA) — Captain Thomas Sankara, chairman of the National Revolution Council in the Jamahiriyah of Burkina Faso, has personally expressed his appreciation for the efforts by the brother leader to bring about a cease-fire between the two sister countries of the Jamahiriyah of Burkina Faso and the Republic of Mali.

On receiving the brother secretary of the People's Committee of the People's Bureau for Foreign Liaison at noon today [31 Dec], Sankara stressed that such action emphasizes the eagerness of the brother leader to work to resolve problems in Africa and that the brother leader enjoys a distinguished status among the African states. He added that the people of the Jamahiriyah of Burkina Faso and the people of Africa will always remember the successful initiatives taken by the brother leader to resolve African problems in order to help the people of Africa attain peace. Thomas Sankara asked the brother secretary of the people's committee of the People's Bureau for Foreign Liaison to take a message to the brother leader of the revolution.

Cease-Fire Said To Be Effectively Observed

AB021349 Paris AFP in French 1324 GMT 2 Jan 86

[Text] Abidjan, 2 Jan (AFP) — The cease-fire established after 5 days of war between Burkina Faso and Mali "is being effectively observed by both parties," announces an official communique of the Nonaggression and Defense Aid Agreement (ANAD) published on Thursday in Abidjan, the headquarters of this subregional organization.

"No incident has been noticed so far," adds the communique which indicates that the observers commission comprising 16 members and led by Colonel Tepe Koffi (Togo) "is carrying out its mission normally in the area concerned by the cease-fire."

The observers of ANAD (the states of the West African Economic Community — CEAO — plus Togo and Benin) have established their central command post at Kouri on the Mali-Burkina border, an official ANAD source indicates. The same source specifies that the "zone concerned comprises not only the Agacher region which is in dispute but also the combat zones situated more to the west."

Malian Nationals Invited to Solidarity Meeting

AB021930 Ouagadougou Domestic Service in French 1900 GMT 2 Jan 86

[Text] Before ending this newscast, we just received this news: A large solidarity meeting of the Malian and Burkinabe peoples is scheduled to take place tomorrow at the [name indistinct] square in Ouagadougou at 1600. Malian nationals and Ouagadougou militants are invited to attend the meeting.

IVORY COAST

Mitterrand Congratulates Houphouet for Peace Efforts

AB021437 Abidjan FRATERNITE MATIN in French 2 Jan 86 p 32

[French President Francois Mitterrand's congratulatory message to Ivorian President Houphouet-Boigny for helping to secure a cease-fire between Burkina Faso and Mali; date not given]

[Text] My dear President, knowing the very important role you played in the cease-fire achieved between Burkina Faso and Mali, I want to address to you at once my very warm and very friendly congratulations.

I am convinced that the tireless and brotherly mediation of the countries of the subregion which are members of the Nonaggression and Defense Aid Agreement will enable Burkina Faso and Mali to eventually find the path of lasting peace.

On this New Year's Eve, I formulate sincerest and warmest wishes for yourself and for the complete success of your action in the service of peace in this part of Africa which is already meeting with sad trials.

LIBERIA

Israeli Border Patrol Chief Ends 5-Day Visit

AB022150 Monrovia Radio Elwa in English 2000 GMT 2 Jan 86

[Text] The Israeli chief of border patrol, Major General Ganaz (Shaad) left Tuesday at the end of a 5-day working visit to Liberia.

During his visit, Maj Gen (Shaad) met with several high-ranking Liberian security officials, including Defense Minister Gray D.

Allison, Justice Minister Jenkins Scott, Immigration Commissioner Sharman Edwin Teh, Police Director (Wilfried) Clark and the chairman of the Joint Security Forces.

Speaking to newsmen at the police headquarters on Capitol Hill shortly before his departure, Maj Gen (Shaad) said he was impressed with discussions held with his counterparts. Maj Gen (Shaad), who described his visit as successful and rewarding, expressed optimism that as a result of his visit, the Israeli Government will assist in providing additional facilities at the National Police Training Academy in Paynesville. He can hope to see the warm reception accorded him while in the country being transformed into positive and realistic friendship between the security forces of both countries.

The general, who declined to disclose the nature of his discussions with Liberian security officials, said whatever had been decided would be translated into reality. In separate remarks, Immigration Commissioner Teh and Police Director Clark thanked Maj Gen (Shaad) for the visit and said they were looking foreard to assistance from the Israeli Government.

NIGERIA

President Babangida Presents 1986 Budget

AB011635 Lagos Domestic Service in English
2000 GMT 31 Dec 85

[Speech by President Ibrahim Babangida presenting the 1986 budget in Lagos on 31 December — live or recorded]

[Text] Fellow patriots: In my silver jubilee address to you on the 1st of October 1985, I declared a state of national economic emergency for a period of 15 months. This action was dictated by the serious economic problems facing us: huge foreign and domestic debts, a rapidly declining per capita income, a high rate of unemployment, severe shortages of raw materials and spare parts for our industries, and a high rate of inflation. We Nigerians all agreed the solution to these serious social and economic problems must be found through our own efforts at our own pace and our own volition, consistent with our own voluntary national interest. We are determined more than ever before to harness our own homegrown efforts to solve our problems and set a new path for the future. The 1986 budget should therefore be seen as the beginning of the new path, and the inauguration of a new era — the era of economic reconstruction, social justice, and self-reliance. As we enter this new era, each and every one of us will have to be ready and willing to make additional sacrifices in facing the challenges that lie ahead. These challenges involve not only reduction in public expenditure and the general structure of operation of the entire economy but also a fundamental and enduring shape in the attitude of our people. Their taste and demand profile should move towards our own resource-based goods and services. We must reduce the excessive linkup to our society from external impulses, and move toward the making of a (?new) development strategy, involving not only the reduction of imported goods and services but also the activation and pride in our own technological capabilities. We must give primacy to rural development through agricultural-fed industrialization. We must pursue a food policy agenda and activity program such that the present [word indistinct] and international dependency are reversed. We must achieve a sustained level of internal self-sufficiency in food in the shortest possible time. We must intensify our efforts of self-reliance through export promotion or reduction of our heavy dependence on oil revenue. This is the central message of the 1986 national budget.

Parallel with this theme, government recongnizes that in periods of economic emergencies, policies (?formulated) to help [words indistinct] become empty words unless they are vigorously implemented. We cannot afford to allow the machinery of policy implementation to jog along at a leisurely pace during the next 12 months. That means, therefore, that we must (?pursue) a strategy of close monitoring of all policies and programs enunciated in this budget. We will re-examine existing mechanisms and procedures with a view to ensuring that all facts of the budget are implemented [words indistinct]. (?Production) targets, both in the public and private sectors, will be reviewed to ensure that performance keep pace with the budget expectation. Government, therefore, calls on all officials of the public and private sectors to recognize the critical nature [words indistinct] to our national economic survival, andapproach policy implementation through the [words indistinct] of the emergency. To this end, steps will be taken to make offical services more efficient. This is the parallel theme to our philosophy of national self-reliance in the coming year.

Now a review of the fiscal year 1985: The external (?factor) continues to play a critical role in defining our foreign exchange budget constraints and indicating the precariousness of our over-dependence on the oil sector. Indeed, our federal budget in recent years have virtually become an excercise in determining the maximum (?feasible) expenditure for a given level of externally determined revenue. The projected revenue from the oil sector in 1985 was 7.5 billion naira or 66.3 percent of the federal collected revenue, while the projected average contribution of the non-oil sector in the past 2 years was about 32 percent. The recent leap in projected share of non-oil sector to the federal collected revenue between 1983 and 1985 is noteworthy. (?Optimism appeared) in the increase of 21.5 percent in the projected federal collected revenue in 1985 from the 1983 estimates of 9.282 billion naira. However, the optimism involved in the 1984 federal and state revenue was dampened to a projected decline of 15.3 percent in 1985 from 8.806 billion naira in 1984. These changes are indicative of the instability in the expected federal revenue. In 1985, federal budget estimate was 11.269 billion naira, reflecting an increase of about 12 percent over the revised 1984 figure. The increase was due to the federal imposed cuts in budget in 1984 and the relative [words indistinct]. However, the 1985 budget was still 11.8 percent more than (?projected) in 1983. Recurrent estimates in 1985 was projected with federal recurrent expenditure of 5.43 billion in 1985, representing 9.9 percent decrease, compared with the 1984 estimates; and 1.6 decrease against the 1983 figure.

The 1985 estimate was relatively high because of the increase [words indistinct] which was then treated as an item of recurrent expenditure. It is, however, to be noted that the personnel and overhead costs components of recurrent expenditure have not changed appreciably between 1983 and 1985. On the other hand, the [words indistinct] charges have progressively increased since

1983, in view of the government's decision to improve the credibility and credit worthiness of Nigeria. Also noteworthy are the debt service ratio of 25 percent of foreign exchange earnings in 1984 and 44 percent in 1985. Experience has now taught us that for some years to come a realitic debt service ratio for Nigeria must lie between possible high figure of 44 percent and a possible low one of 20 percent.

In terms of allocation of recurrent expenditure among ministries, defense, National University Commission, and the police, in that order, have maintained the lead since 1983. Education, science and technology has been rather stable at about 4.5 percent in the budget, while finance and internal affairs have shown an upward trend.

The capital budget in 1985 was 5.796 billion naira, representing about 50 percent increase over the 1984 (?operation) ratio, but a 19.6 percent decrease over the 1983 figure. In 1985 [words indistinct] contributed 18.6 of the total capital estimates. Industry, comprising steel development, manufacturing, and (?gas) from the NNPC [Nigerian National Petroleum Corporation] accounted for at least 21 percent of the total capital estimates over 2 years since 1983. The share of agriculture, however, declined from 17.7 percent in 1984 to 13.7 percent in 1985. The share in 1983 was 16.2 percent. The share of infrastructures like steel, power, post and telecommunications, showed a general upward trend between 1983 and 1985. Defense notably declined from 9 percent to 5.5 percent in 1985. But the share of the federal capital territory was stable at about 6.3 percent.

Policy change: In the past the policy [word indistinct] and produce the unintended effect of fostering high cost industry and [words indistinct] to the domestic resources, exacerbating the problems of dependance on imported raw materials. It has become apparent that fiscal measures along are not enough to bring about a sustainable fiscal and external payment position with the desired recapturing of the economy. Correct registration in the cost price relations can provide adequate signals and stimulant with productive investments in the vital sectors of the economy.

In the light of the above, the government has decided to adopt a dynamic economic recovery program which aims at ensuring the realignment and aggregate domestic expenditure and production pattern and so as to minize dependence on imports and [words indistinct] as will bring the economy back on the path of steady and balanced growth.

It is typically the major objective of the (?Federal Government) to restructure the productive base of the economy in order to reduce dependence on the oil sector and imports, to achieve a fiscal and balance of payments viability over the [words indistinct].

Unlike its predecessor, one notable feature of the 1986 budget is the great concentration [words indistinct] and cooperation received from major interest groups in the process of its preparation. Furthermore, for the first time in the national history, we have attempted to bring the budget around policies rather than around projects. Unlike in recent years, we have also succeeded in balancing the budget. In order to achieve these objectives, the program features the following elements:

- strengthening of the hitherto strong demand in human (?services);

- adoption of a realistic exchange rate policy;

- further rationalization, restructuring of the customs tariffs to aid the promotion of industrial diversification;

- simplification of the regulations and guidelines governing industrial investments and commercial banking activities; and

- adoption of appropriate (?tax) [words indistinct] petroleum products and public enterprises.

The 1986 resource profile: A total sum of 15.6 billion naira including special funds is estimated as federally collectable resource in 1986. Out of this sum, 13.1 billion naira or about 84 percent will come from the standard of normal revenue sources in both oil and non-oil sectors. This compares with 11.237 billion naira for 1985. The sinking fund consists of 900 million from adjustment in the petroleum sector, 500 million naira from the economic rehabilitation and recovery fund, and another 1 billion naira from the consolidated net import measures.

The projected foreign exchange (?budget) f[illegible] billion naira compared, with 8 billion naira for 1985. [illegible] billion naira or 83 percent of this is to be derived from oil exports and 1.5 billion or 17 percent from non-oil sources.

The foreign exchange allocated for domestic production activities if is estimated at about 7 percent while 30 percent is to be reserved for external debts as compared with 44 percent in 1985. Given our experience from the 1985 fiscal year when 2.3 billion naira was estimated as external loan and only 500 million was actually received, and considering government's recent decision not to obtain the IMF loan facilities, only a sum of 500 million is assumed as external loan for 1986. A foreign capital inflow higher than this in 1986 would be regarded as a pleasant surprise.

General economic policy: Government will continue its policy of realistic adjustment of the external value of the nair with a view to reducing the degree of overevaluation of the exchange rate, structuring the [word indistinct], discouraging import propensity, and strengthening the international competitiveness of Nigerian producers.

Supplementary fiscal management measures will also be pursued to reduce domestic costs, dampen inflationary recession, and provide some safety valves through procreation of second class foreign exchange measures, as the logical extension of the foreign currency domiciliary accounts system. Furthermore, government will introduce a program of generalized compensatory levy of 30 percent on all taxable [words indistinct] additional to the existing rates of import duties but incorporating the present 6.02 percent of the [break in transmission], proceeds from these compensatory levies will be directed at strengthening the program of non-oil exports, promotion and export incentives.

With respect to the external debt review, government affairms

its readiness to honor the obligations to clearly established creditors, consistent with the available foreign exchange resources acquired for the country and with the dictates of national survival. In this respect, government has decided that no more than 30 percent of its resources will be taken up in 1986 for external debt servicing. We believe that this is a realistic (?effort) considering recent revelations in the JMB [Johnson Matthey Bankers] affair, and other foreign exchange scandals, with the clear implication that not all [words indistinct] external debts will eventually be classified.

Government will, however, do everything possible to [words indistinct] to encourage greater inflow and inject foreign-direct investment into priority areas in (?high commodity) sectors of the domestic economy. The policy package for export incentives will include a system of import duty rebate. Raw materials and components used in the manufacture of export products, preferential import licenses for export activities, retention of [word indistinct] of 25 percent of the foreign exchange earnings will (?allow us to achieve this). Encouragement for establishment of free export boons in selected parts of the country, [word indistinct] services to entrepreneurs [words indistinct], the establishment of export credit guarantee, and the insurance scheme, facilitation of export [word indistinct], assistance on export costing and pricing, and reduction of the income of the export promotion council.

In (?proper) pursuit of a more positive export expansion program, government will reconsider the past policy of prohibiting a number of food and agricultural products from being exported. Except for commodities whose importation has been banned, such exports prohibited as contained in the Finance Act No 2 of 1981 is hereby abolished. Henceforth, encouragement is to be given to all exportable commodities, oil and non-oil, agricultural and industrial, goods and services. Export licenses [words indistinct] are to be simplified and [passage indistinct] will also be activated in 1986 with short-term measures towards the economic recovery. It will, however, be pursued on a commercial basis [words indistinct] in line with recently expressed government view on the [words indistinct].

Furthermore, government will promote the development of indigenous negotiating capabilities in both the public and private sectors to ensure that the nation's debt [words indistinct].

Imports and import licenses: It is ordinarily desirable for [words indistinct] by placing them on open general license. A system of bureaucratic allocation [word indistinct] cumbersome, that makes it liable to corrupt practices and unintended destruction of resource allocation. For the period of national economic emergency, the government is, however, not yet in a position to allow all kinds of imports. A [word indistinct] on the structural problems of the external indebtedness are fully addressed. We will [word indistinct] strict adherence to the management of the foreign exchange budget. Government will also take the step to remove latent administrative abuses, and block leakages in the import licensing system. Essential products like medicaments, pesticides, raw materials, spare parts, and agricultural equipment will receive higher priority in the issuance of those licenses. Furthermore, licenses which are not to be valid for foreign exchange transfer will be issued but only for summarily approved priority imports, as an incentive for those who may have their own foreign exchange (?reserves). [Words indistinct] before import licenses are issued. [Words indistinct] will similarly be involved in the preliminary reduction of import license application and their demands to produce a flushing-out of state commercial institutions and nonexistent investment enterprises.

The [words indistinct] will be reviewed in 1986 with a view to involving some Nigerian organizations in the process of running [passage indistinct] on the basis of [words indistinct] in addition to and sometimes in replacement of conserved letters of credit. Generally, the Central Bank will ensure that commercial banks effect a proper system of trade balance and ensure that the past experience of embarassing accumulated trade arrears is avoided. Again, the volume of delayed payment arising from currency depreciation cannot be well orientated [words indistinct] as may be required by regulation. Adjustment of the customs and excise tariff structure will be effected so that the import and export tariff consolidation decree on the principle [word indistinct] of 1985 with the view to correcting certain anomalies. The importation of agricultural equipment for instance, will be discouraged, when locally assembled agricultural equipment are [words indistinct].

Items which were also inadvertently omitted from the list of excisable products will attract a (?triple) excise duty. [Word indistinct] in line with the recommendation of the Nigerian Conservation Foundation, the prohibition or restriction of external training for [words indistinct] will be incorporated in the new consolidation decree.

Income, [words indistinct] of trade balances: The general effect of this policy system in the current trade review, [words indistinct] due to excessively high demand for imported goods, especially those which are not really relevant to the state of the nation's development. Structure reduction process will be strengthened by the decline in the level of agro-based money income, and a reduction in the [passage indistinct] in the level of [words indistinct] only from the public sectors, but also from the private sectors, which will not be expected to demonstrate equal reduction in their trade (?benefit). Public sector [words indistinct] will nevertheless begin by drastically pruning down the presently large number of official cars, limiting them to only one car each by public officers of summary grade levels to the [word indistinct] including ministers. The cars being also strictly only for official business. Whereever official cars, within or outside the pooling system, will be [words indistinct] a system of car rentals will, however, be allowed within the departmental budget. There will be other internal economic measures in the area of travel allowances, utilities of government services.

The major graduated reduction on wages and salaries during the period of economic emergency will be further enforced in both the public and private sectors to ensurer an equitable distribution of burden among various segments of the society, a fair share of [words indistinct] will also be levied in 1986 on the [word indistinct] sources of all companies and on all dividends on [words indistinct].

Proceeds from all such reductions and surcharges will be channeled into a national economic recovery fund under the auspices

of the Federal Ministry of Finance and used for the national rehabilitation of education and health facilities, as well as for the promotion of employment in [words indistinct] activities. Customs and income taxes will, however, remain the same. Furthermore, [word indistinct] or retirement gratuities of workers is henceforth abolished.

Oil subsidies: Subsidies on various demonstrated goods and services have for the past several years consituted a controversial issue. The people have themselves agonized on this vexed question, particularly in respect to the subsidies on domestic petroleum products. Considering the international [word indistinct] prices of these commodities, and the heavy (?opportunity) cost of consuming them at home rather than selling them abroad, government has come to the conclusion that the nation cannot continue to support such great, financial losses, and uneconomic comsumption of a viable but [words indistinct]. In [words indistinct] in 1986, therefore, only 20 percent of the present level of oil subsidy on domestic crude oil calculated on the price of refinery will be added. This will substantially raise the pump head prices of gasoline and diesel oil to 39,5 kobo and [words indistinct]. The market prices of local kerosene will, however, remain unchanged. Through the NNPC operations, government will ensure that the oil marketing companies will not take further advantage of the review in this painful process of structural adjustment.

After allowing for accommodation and marketing costs, and the need for minimum commercial viability of the refineries, it has been estimated that the savings on the petroleum subsidy reduction will mean a total of about 900 million naira in 1986. Government has, however, decided not to pass this on to its general revenue, but rather to use it for the education, and for the purpose of rehabilitating various [words indistinct] roads in the country, and especially for the development of national network of rural and feeder roads in order to strengthen domestic efforts with food and agriculture for self-sufficiency in the shortest possible period. In that pursuit, government will establish a directorate of [words indistinct] rural infrastructure in the office of the president. The directorate will work closely with the state governments in order to reach the various communities in each of the 304 local government areas throughout the country. [Words indistinct] objective of the communities level on the basis of national land system. It will be a cardinal element of the role of the directorate not only to effectively promote a framework of grassroot social mobilization, but also to run a [word indistinct] program for the development and monitoring of [words indistinct]. It is expected that under the program, rehabilitation of over 62,000 kilometers of rural feeder roads will be undertaken in 1986, thus absorbing about half of the proceeds accruing in the fund from the petroleum subsidy objective.

Privatization of parastatals and companies: Government parastatals have for long been subject to study or policy review. Those who have generally constituted an unnecessarily high burden on government resources, have been variously classified or re- classified for purposes of reform. The government has decided that as of 1986, the volume of [words indistinct] to all economic and quasi-economic parastatals will constitute no more than 50 percent of their present levels. They are to find balance or increases in their prices, charges, tarrifs, and rates. On [words indistinct] public holdings and commercially oriented [words indistinct] prices, government has also decided to divest [words indistinct] agricultural production pursuance [words indistinct] distribution, electrical and electronic appliances and all nonprofit industries. It will also consider reducing its holding in banks, insurance companies, and other financial enterprises without losing control. An adjustment process will, however, give patient encouragement and preference to groups and institutions like the trade unions, universities, special funds, voluntary associations, patriotic unions, youth organizations, women's societies, local governments, and state investment companies. Care will also be taken to avoid the [word indistinct] of being concentrated in the hands of few individuals in few areas of the country.

Domestic finance: In the 1976 to 1986 period of the Nigerian financial system, the economy has undergone rapid changes. Government will therefore set in motion during 1986 the process of another review excercise directed to restructuring the entire national financial concept to [word indistinct] the new management demands of a turbulent international economic order. Meanwhile, government will intensify its efforts to reschedule the domestic public debt, [words indistinct] reform the market in order to ease the burden on the cash flow of the economy. The high degree of liquidity arising from the recent low level of activity in the economy and providing an opportunity to the public sector should mop up some of its liquidity through issuance of bonds. Given the vulnerability of many Nigerian companies in national economic [word indistinct], public policy measures will also be directed at improving their debt ratio and enhancing their long-term financial requirements. The capital market will be encouraged to raise at least 300 million naira in additional foreign exchange equity, investment through the sale of land [words indistinct] and ordinary shares of [words indistinct] companies are within the framework of the Nigerian enterprises promotion decree.

In respect to the interest rate, the observed internal inconsistency in the structure will be corrected by narrowing the gap in the [words indistinct] and thereby facilitating more effective competition among banks and finance companies. The existing barrier to entry in banking and finance will also be reduced with a view to promoting greater business competition and acceptability of private and small-scale enterprises, including farming.

In respect to public finance, government directs that as of 1986, all ministries, parastatals, agencies, and institutions must keep systematic records of all their operations and activities, for both policy planning and management. Their respective annual reports must be published within 6 months of the end of each financial year. Their annual accounts are to be similarly audited and published. They are, in addition, to make these quarterly reports to the presidency, through their respective ministries or supervising organs, highlighting the significant developments in the past quarter and their expectations for the next. A culture of statistical information and analysis [words indistinct] can be pertained as a normal management habit.

The economy has long been plagued by high cost of uncompleted and [words indistinct] capital projects and infrastructural facilities, resulting in a large unserviceable debt and poor financial profile. The year 1986 will be one of a sober reflection on [words

indistinct] for significant cost reduction in domestic tax reformation. On undertaking new projects, and on the completion and operationalizing those already in the pipeline, the accent of the public policy on all capital programs will be on repairs, maintenance or rehabilitation of all national [words indistinct], public and private, rather than on their mere replacement. The armed forces, through the Ministry of Defense budget, are committed to demonstrating leadership in this direction. A self-reliant structural adjustment program must not only be home-grown, it must be cost-productive. It must also be endured. There can be no return to the days of the oil boom, days of free fall or business as usual, even after the period of economic emergency will have been over.

The 1986 expenditure profile: the present projected capital expenditure in 1986 is 5.3 billion naira, as against 5.8 billion in 1985, made up of 2.4 billion recurrent surplus, 2.4 billion naira special fund, and 5 (?million) external loan drawn down on (?undergoing projects). The various capital allocations reflect this administration's basic concern for food and agriculture, for mines and power and steel, for education, and for infrastructure. And, in accordance with [words indistinct], total projected recurrent expenditure stands at (?5.635) billion naira — 1985's (?one) was based on (?5.43) billion naira — out of which defense account of (?742,390,000) as against (?806,507,009) in 1985, while the national university commission is allocated (?443,810,000) as against (?442,595,000) naira in 1985. This administration places a high premium on controlling and containing runaway recurrent expenditure. Public programs must henceforth avoid the recurrent expenditure trap by which, for too long now, projects depended on all available resources or recurrent costs leaving virtually nothing for development. In addition to the [word indistinct] budget, substantial capital expenditures will be incurred from the special fund provided for this budget.

Subsidies: capital projects will be financed to the tune of 900 million naira on rural roads, food and rural infrastructure. From the economic rehabilitation recovery fund, special capital rehabilitation projects to the tune of 500 million will be finance in education, health, and informal [as heard] activity sectors From the special import [word indistinct] duty levied, we also expect to finance a special national agricultural and industrial export promotion and intensive program to the tune of 1 billion naira.

Defense and Internal Security: It is common knowledge that in the past defense has always taken the lion's share or our national budget. This has been due largely to the heavy expenditure involved in equipping and maintaining our armed forces. It is important to emphasize that the overall defense budget for 1986 is reduced by 218,591,000 naira as compared with 1985, representing a total of 19.4 percent. However, in view of the present state of the economy, our armed forces have taken the lead in the general sacrifice that is called for. Apart from the provision made to recurrent expenditure at a lower level than in the overall 1985 budget — 52.2 million naira less — and the sum of 164.50 million naira for the repair, maintenance and rehabilitation of existing equipment, no other allocation will be made for the armed forces for the capital expenditure. This sum contrasts with the 419.1 million naira allocated in 1985.

Government has made known its serious concern over the recent increase in the incidence of armed robbery, drug and currency trafficking, and various forms of anti-social activities. Measures will be introduced in the new financial year to further combat these social maladies. In this regard, a sum of 183.1 million naira is allocated to the police subject to the presidential approval of a program package for combatting crime. The sum will in any case be used strictly for the provision of effective surveillance and communication [words indistinct] support system. The police is being allocated a special vote of (?62.9) million naira for its program of personal reform and management reform. Generally, government will ensure that as of 1986 materials, uniforms, accessories, equipment and other supplies for the use of defense, police, and other security forces which are manufactured in Nigeria, are purchased locally.

Food and agriculture: food and agricultural policy during 1986 will focus on the acceldrated drive toward self-sufficiency in rice, maize, and adequate production of yam, cassava, sorghum, and millet. Efforts to rehabilitate groundnut, cotton, copra, and oil palm production will be intensified in order to reduce import dependency, expand domestic production capacity, and provide raw materials for agro-allied industries. Special effort will be made to increase market quantities of food and fibers by drastically reducing post-harvest losses. Other objectives include increased export earnings from agriculture to diversify the country's foreign exchange earnings as well as increase rural employment.

Program formulation and implementation will be guided by four principles. First is the need to focus more sharply on small-scale farmers as the centerpiece of the nation's food and fiber production not only because they produce over 90 percent of the nation's output of food and fiber, but also because they constitute the rural majority. [Words indistinct] have clearly demonstrated that given the right prices and enough price incentives they can produce the food and fibre required by this nation. Government at all levels [words indistinct] in 1986 disengage in involvement in direct production and distribution of farm produce.

Second, Federal Government support to agriculture will be within the context of agro-ecological gains not necessarily within the state local government boundaries. Third, grassroot implementation of programs will be the responsibility of state and local governments with some federal support in policy and program formulation and coordination. Four, special care must be taken to prevent the emergence of the [words indistinct] as in the past, especially during implementation of a large class of unintended beneficiaries of public policy. National rice production and distribution as well as national maize production and distribution programs will be implemented during 1986. These programs will be based on agro-ecological endowment rather than on trade and local government boundaries, so that the nation can [words indistinct] for maximum impact. But the rice program will focus on the [words indistinct] farms of Anambra, Imo, Cross River, Benue, Plateau and Gongola States, as well as the alluvial lowlands of eastern Bendel, northern Kwara, southern Niger, and southern Kaduna States. Other areas to receive program support are the upland rice areas of Ogun, Ondo, Bendel States, the alluvial lowlands of the Sokoto rivers and the alluvial lowlands of Hadeja [words indistinct] Chad basin.

The agricultural development projects [ADP] as well as the state ministries of agriculture will continue to handle agricultural extension, seed multiplication, confirmed [word indistinct] research, input distribution and other infrastructural support activities. Evaluation of financial health will be undertaken to establish the cost effectiveness and development impact of alternative forms of mobilization of peasant farmers in the rural communities.

River basin and river development authorities [RDA], now reduced to nine in number, will focus sharply on water resources development especially irrigation and flood control infrastructure along clearly designated river basins. Encouragement will be given to extensive development of our lands and [word indistinct] throughout the country. The ADP's in taking over the agricultural functions of the RDA's are also to work very closely with the local governments and organize local communities with the purpose of ensuring effective maintenance of rural infrastructures. The 18 agricultural research institutes will be reduced with respect to number, location, and commodity [word indistinct], in particular the research institute in [words indistinct] network of [words indistinct] research centers with different ecological goals that will henceforth be closely integrated with the extension services of the ADP's and state governments.

The national seed service will be vastly strengthened in the areas of quality control and grade specification. Actual seed multiplication will however become the increasing concern of the ADP. Other official agencies and private seed companies, within a growing network of contract seedgrowers, will give initial emphasis on rice and maize. Development work on hybrid maize will continue, while the possibility of hybrid [words indistinct] will be further expanded.

On farm inputs, an interim mechanization policy will be articulated which emphasizes the development of a three-phased small-scale and medium-scale mechanical [word indistinct] to ease the increasingly severe labor shortages and ease farming operations. On fertilizers, pesticides and new seed varieties will, with the assistance of the private sector and farmers' organizations, be made available to farmers. Arrangements will be made for the commercialization of fertilizer procurement and will also [words indistinct].

An interim produce policy will be formulated which will [words indistinct] of collaterals in order to liberalize extensive farm credit for the (?remuneration) of farmers who are resolved to go back to the land but have little or no capital. In this connection, the operation of the agricultural credit guarantee scheme in the Nigerian Agricultural and Cooperative Bank [NACB] will be overhauled with emphasis on decentralized operations and closer cooperation between the NACB and the commercial banks. The [word indistinct] structure will be reviewed to further accelerate the flow of farm bank credit from merchant and commercial banks. (?Under the) credit guidelines, all commercial banks are now required to lend at least 15 percent of their lending porfolios to agriculture.

Commercial bank lending to agriculture is [words indistinct] to the following credit guidelines: (?growing) production and distribution, 50 percent; livestock including poultry, 15 percent; and others, 35 percent. Also, the agricultural real portfolios of all commercial banks will be increased to 8 percent of (?proper) loan while the commodity credit guidelines for commercial banks will also apply to [word indistinct] banks.

To prevent the flooding of our (?market) [words indistinct] of pesticides that have been banned elsewhere, a pesticide control decree will be promulgated in 1986.

In furthering the national economic recovery program, and in relation to the existing ban on the importation of rice and maize, the following agricultural products are also banned forthwith with effect from 1 January 1986: vegetable oil; commercial [words indistinct], and stockfish. The National Grain Board is to intensify efforts to build up a strategic buffer stock for grain, and especially for maize with something of not less than 65 percent. The Export Promotion Council is to encourage and facilitate the exportation of all sorts of agricultural produce: [words indistinct] especially to the ECOWAS countries other than those commodities whose importation has been banned. The government is convinced that [words indistinct] food supply within the next 2 years. As our elders earlier said, [words indistinct].

Rural infrastructures and rural development: Rural development policies [words indistinct] to narrow the structural preoccupation with the variation of food and [words indistinct] the overall formulation of a national rural development stragety with emphasis on the allevation of rural poverty and improvement of the quality of rural life. Rural development [words indistinct] to sustain agricultural transformation and national food production.

Apart from water supply, rural road construction is one of the most important (?sectors) in the transformation of the Nigerian rural sector. A national rural feeder road program aimed at constructing or rehabilitating about 50,000 km of rural feeder roads will be launched in 1986 [words indistinct] with the proceeds accruing from the reduction of petroleum subsidies. New rural feeder roads will be developed in the first instance in areas with the highest potential for the production of priority crops such as rice, maize, vegetable oil, cotton, groundnuts, cocoa, and tubers. Not less than (?50) percent of the [words indistinct] from the reduction in the (?massive) petroleum subsidies will be allocated to the rural feeder roads (?so as to) tackle our rural infrastructure problems.

To complement the food production campaign and to reduce the harvest losses, a national on-farm storage program will be launched to establish a network of demonstration of farm [words indistinct] and other storage facilities for mass adoption by farmers. [Words indistinct] we will rely largely upon the [word indistinct] operation.

(?To boost) marketing information dissemination, a service will be launched to further integrate the various signals of the Nigerian stock market. To produce [words indistinct] government will promulgate in 1986 a rural development decree to provide for the revitalization and transformation of Nigeria's rural sector and the living conditions of the rural majority.

In [words indistinct] speech, I stated that in the civil engineering

sector, government will lay emphasis on strong negotiated cost reduction for the vitalization of present (?extra) capacity for the generation of employment, for rural [words indistinct], for other road rehabilitation for a sustained road maintenance. The Ministry of Works and Housing is one of the key ministries in areas of activities involving services that affect the (?lives) of the majority of our people. Its direction will be in (?keeping with) the principle of self-reliance (?toward) the mobilization of the creative levers of our people. In this direction, while the [word indistinct] of development will continue to rely on the use of [word indistinct] labor, we must now retrain ourselves and undertake our [word indistinct], maintenance, and [words indistinct] jobs through a more practical system of direct labor.

The generation of employment through the rehabilitation of our roads, both rural and urban, as well as the construction of houses and water systems [words indistinct] labor at all categories and skills. We must recognize that the contract [word indistinct] developed after independence has [words indistinct] a contributory factor to the reckless drain on our resorces through kickbacks and other malpractices. Government has decided that throughout the period of national economic emergency, repair, maintenance, and rehabilitation of roads, housing and other engineering work will form the conerstone of the (?national) policy. If major trunk roads are rehabilitated and [words indistinct] the ministry will arrange for the installation of [word indistinct] other roads. Revenues generated will henceforth be kept and used for maintenance purposes by the ministry but under strict monitoring by the Ministry of Finance. The ministry will also ensure that due to construction costs a substantial [words indistinct] will be instituted for all contract jobs. The government will reveal the [words indistinct] of contractors that use the expertise of professional bodies associated with building and civil engineering contractors. As [words indistinct] infrastructural maintenance problems will be undertaken directly or under contract, government will ensure the enforcement of strict financial vigilance and public accountability.

Transportation: The 1986 budget emphasis is on repairs and maintenance of the existing national road network as well as the rehabilitation of rural feeder roads. [Words indistinct] is on self-reliant [words indistinct] with industrial products. The public transport system (?is to be) based especially on the locally assembled vehicles and light commercial vehicles. In this regard, small-scale enterprises will also be encouraged to build [word indistinct].

Competition between the Nigerian Airways and the private airlines will be encouraged on more domestic routes. The competitiveness of the Nigerian Airways will, however, be enhanced by the provision of [words indistinct] and spare parts. The Nigerian Railway Corporation will be assisted in obtaining foreign exchange [words indistinct] and requiring locomotives, wagons, and coaches [words indistinct] stationery and equipment. The corporation will be encouraged to participate in the internal transportation of tourists [words indistinct] such as bitumen from Kaduna refinery. [Passage indistinct]

To guarantee broader, reliable sources of power for industrial and other uses, there will be provision for the procurement of the critical sapre parts in the (?system) of electricity generation and distribution. Institutional changes will be made to increase efficiency in the distribution system. [Words indistinct] to complete major and other (?projects) in the power and energy subsectors. In operational national [words indistinct] vis-a-vis of Nigeria, such a policy will now be undertaken so that Nigeria [words indistinct] development is only with (?work) of ECOWAS cooperation. The possibility of utilizing other refinery capacity in ECOWAS [words indistinct] and will be more actively pursued.

The public steel sector is in dire need of rationalization. Work on the Ajaokuta plant will be prosecuted with determination given the amount of money already spent into the project and the relative irreversibility of the investment. However, the delay in construction will now be turned into advantage by using the plant [words indistinct] in the entire public steel sector (?correction) must emphasize the production of flat sheets.

Industry: With respect to the industrial sector, the 1986 budget aims at raising the low level of indsutrial output through better utilization of installed manufacturing capacity to a rate of about 65 percent on the average. In this regard import licences for raw materials and spare parts will be give to genuine manufacturers in accordance with the scale of priorities that will be worked out based on discussions with the various groups of the organized private sector.

The minister of industry will complete in 1986 all the [words indistinct] raw materials of all the various production groups of public firms, the commodity timetable for deletion of a wide range of imported raw materials. A raw material council consisting of representatives of government, the private sector, and Nigerian Labor Congress will be set up to formulate and implement the policies on the local sources of [word indistinct]. In particular, it is [words indistinct] rewards and sanctions for compliance and noncompliance as the case may be.

[Words indistinct] through the processing of (?agricultural) crops will be allowed to be imported beyond a grace period of 3 years from January 1986 for agricultural crops, and 5 years for (?tree) crops.

The second priority of the industrial sector will be to support the food production efforts and programs in the agricultural sector. (?Remanufacturing) activities aimed at the production of chemicals, equipment, and light commercial vehicles in order to reduce considerably pre-harvest and post-harvest losses as well as assist in the evacuation of farm products from the hinterland to the urban centers. The initiation and completion of basic industries with enormous [word indistinct] multiplying effect such as petrochemicals and flat sheets will retain the fullest attention of the government [words indistinct].

The industrial sector will also assist in job creation through an intensive promotion of small-scale industries. A package will be developed which will ease the problems associated with vocational training. Also to be encouraged [words in indistinct] through extensive service and (?through) fiscal measures aimed at creating a special [words indistinct] of small-scale industries.

One of the important tasks to be tackled by the Ministry of Trade in 1986 will be to administer the issuance of import licenses to

genuine businesses, efficiently, promptly, and with the highest level of probity. In this regard, the ministry will cooperate with the respective functional ministries and the organized private sectors in determining who the genuine business people are and their relative capacity utilization. Also, the names, the addresses, [words indistinct] private mail-bags and the value in naira of each licence issued will be published. objections from the public will be thoroughly investigated. The import licence exercise will be based on the specific priority areas to be announced by the Ministry of Finance but with discussions in (?subsectors) with the organized private sector. Broadly, however, the first priority will go to agricultural chemicals and spare parts for [word indistinct] in order to assist food production. The second priority in the import licencing exercise will go to the raw materials and spare parts for manufacturers so that the factories will [words indistinct] of 65 percent of their installed capacity. This will have the effect of providing more employment than the existing [word indistinct]. The third area of priority will be for new machinery to be totally supported [words indistinct] or mineral into acceptable raw materials. Companies (?with) the same products will be encouraged to pull their resources together in this regard. New agricultural machinery will fall into this category when such machinery cannot be obtained on higher or a new [word indistinct] from the existing stock of agricultural machinery in the country.

The last category will be the general merchandise and in particular [words indistinct] food items which the country is short of and for which there are no alternatives. (?Licensed) medicaments for the hospitals will also fall into this category. Furthermore, it may be decided to create a category of import licenses [words indistinct]. Such licenses will be for raw materials and spare parts, drugs, books, agricultural machinery, salt, and certain types of (?liquors). It will also be available for personal effects of citizens who have lived abroad provided that anybody who brings in such (?items) will not be allowed to sell such effects within 5 years.

In 1986, it will be the policy of government that import licenses other than (?those valid) for foreign exchange are utilized in three instalments, mainly, one-third in the first quarter, one-third in the second quarter, and the last one-third in the third quarter. Companies which infringe this agreement, which is intended to prevent banking malpractice, will have their licenses withdrawn. The Ministry of Trade will in 1986 pay attention not just to managing the demands for import but also [words indistinct] efforts to earn foreign exchange through export promotion for which a package of incentives have been designed. It (?shall) also encourage more vigorously the promotion of tourism.

Revitalizing education: This administration notes with concern the serious neglect which education has suffered in the last years. Indeed, education has been so relegated to the background that it is in danger of imminent collapse unless serious attention is given to it by all levels of government.

The federal government will this financial year give special assistance to rehabilitate various educational facilities in the country. In this regard, special attention will be given to the educationally disavantaged states. All states will also benefit from the provision of science equipment. Furthermore, provisions have been included for women's education, education for the gifted, the promotion of science teaching, reactivation of the federal scholarship board and the students' loan scheme. The sum of 150 million naira has also been earmarked for the National Universities Commission to be used exclusively for repairs,maintenance, and rehabilitation of university buildings in the country. This special allocation will be drawn from the economic rehabilitation and recovery find accruing from special levies and compulsory education from labor, corporate, and property income. The government has directed the Federal Ministry of Education to work out the modalities for a reduction in the school year to rhyme with the agricultural cycle across agroecological [words indistinct].

As a matter of national policy, fees are not to be paid in public primary schools. Also, educational institutions in the public domain are to still remain. Trusts, missions, voluntary agencies, and individual patrons may be encouraged to start and manage new educational institutions subject to regulations on standards and inspection.

Health: The health of the people is one of the essential prerequisites for sustained social and economic development. Government will therefore seek, within the limits of resources available, to improve the quantity and quality of health facilities so that our citizens can lead socially and economically productive lives. Emphasis will be laid on the provision of primary health care and the rehabilitation of existing hospitals and the supply of drugs. The university teaching hospitals of Ibadan, Zaria, Enugu, and Maiduguri have been designated as centers of special [break in transmission].

(?Effort) is to be intensified in the completion of ongoing projects such as the Sokoto University Teaching Hospitals, the Ahmadu Bello University Teaching Hospital, the University of Nigeria Teaching Hospital, and the National Eye Clinic in Kaduna. A sum of 100 million naira has been allocated for the development and rehabilitation of various existing health centers all over the country. Another 100 million naira is earmarked for the fourth specialists center of medical excellence. Therefore, these allocations will be made available from the economic rehabilitation and recovery fund.

The government views with concern the high rate of population increase in the country and [words indistinct] every effort to increase food production will be ineffective. To this end, the government will continue to promote voluntary family planning education generally. The government will also advertize rearing of healthier children by mothers through breastfeeding.

Nigerianization and training: The employment of expatriates will continue to be closely monitored especially now that several Nigerian graduates and technicians are unemployed. Government therefore directs forthwith that for every expatriate employed under expatriate quota (?below) the board or management committee levels of a company, there must be two Nigerians identified within the existing organization, or employed, if they do not exist, to understudy the expatriate. If any of the understudied should leave the organization, this must be promptly reported to government. A definite and realistic program of the Nigerianization of posts held by expatriates on the boards or on the management committee of companies including

that of the chief executive must be drawn up. And once a program is approved by government, it must be strictly adhered to. Where the chief executive is a Nigerian, an expatriate may be allowed to be one of the deputies. While the government appreciates the contributions of expatriates, a situation where the impression is created that certain posts are unattainable by Nigerians will not be tolerated any longer for very big and complex companies and international committees are already being run effectively by Nigerians who have done their country proud. Other companies must move quickly in the right direction through the policy just enunciated before they are pushed to do so. Nigerian chairmen of companies are therefore enjoined to be alert to their responsibilities to Nigeria in this regard.

The National Youth Service Corps will have to be reorganized in 1986 in order to emphasize efficiency and probity in its administration.

Social Welfare: The welfare of the citizen is one of the most important responsibilities of government. The government will therefore continue to give impetus to all activities in the recreation and sports arena. The success of Nigeria in the field of sports in 1985 will become the benchmark by which subsequent field performance must be judged. It must be emphasized, however, that [words indistinct].

While commending the activities of various voluntary and charitable organizations, we need to redouble our efforts in helping the less privileged in our society. Government views with great concern the practice of social and charitable clubs spending thousands of naira wining and dining for their own [words indistinct]. This is not consistent with the spirit of (?charity) and selflessness. You all know that the welfare of the citizens is only truly enhanced when they are gainfully employed. Every employer must therefore make special efforts to help the disabled in getting employment. A progressive employer would be expected to employ a minimum of 2 disabled persons for every 100 employees.

The issue of political program: Fellow patriots, let me now come to the issue of our national political future about which I spoke in October 1985. In order to establish a viable and enduring peace-oriented political system devoid of perennial disruption, this administration has decided to involve the people in the search for a solution to the problem of political instability which characterized the process of parliamentary democracy. That [word indistinct] will continue to feature as the main contributors to our political instability, [word indistinct], political insensivity and intolerance, mismanagement, failure to accept a political [word indistinct] without reason, rancor and violence, crass opportunism, narrow possession of power as the instrument of self or sectional aggrandizement, corruption. These factors, in turn, often give way to economic depression, social chaos, cynicism apathy, and total disaffection of the general citizenry for the political leadership as manifested during our two (?previous) experiments of establishing a democratic system of government. To avoid the mistakes of the past, we must aim at establishing a political system capable of ensuring justice, opportunity for the people to participate in the decisionmaking process, a new social and economic order based on peace, stability and harmony and on an equitable distribution of national resources and opportunities. We must not forget that the collapse of the economy is directly attributed to bad government, corruption, and the absence of public accountability. The establishment of a viable political system is therefore an essential prerequisite for the achievement of our national goals and objectives. We must now begin a most vigorous search for a new political order — one which this present military administration will be proud to bequeath to posterity.

In consistence with the philosophy of this administration, that is in consultation with and involvement of the people in the decisionmaking process, the Armed Forces Ruling Council has decided, once more, to foster a national debate on the country's future political system. In doing so, three fundamental issues must be observed: First, we expect the debate to concentrate on devising a smooth transitional disengagement process for the military to [words indistinct] a political system. Secondly, we expect Nigerians to come up with suggestions on how to evolve an orderly system of political succession. Thirdly, the debate, while not excluding any ideas, should not give undue prominence to them but rather it should break new grounds for providing opportunities for the dissemination of new ideas and concepts that are firmly rooted in our social and political experience. Consequently, a political bureau with the following tasks is to be established:

1. [Number as heard] To gather, collate, and synthesize the contribution of Nigerians to the search for a new political system; to organize public discussions through debates, seminars, and symposia on the various questions relevant to the search for a new political order; to deliberate on political problems that may be referred to it by the president; to evaluate the various contributions and make proposals to government. The life of the political bureau will be for a period of 1 year — January to December 1986. Based on the findings and recommendations of the bureau, government will announce a new political program to prepare for handing over power.

I would like to affirm that this administration does not intend to stay in power a day longer than is required to build the necessary institutional framework which is to bring about a better and more stable Nigeria economically and politically.

Social mobilization: in my anniversary speech last October, I stated that if the economic emergency period is to be short and its benefits are to last, then the [word indistinct] must not be simplistic and negative ones of mere austerity. Its (?message) should be one in which the productive capabilities of the nation are mobilized as a necessary foundation for a better and prosperous future. We should remain conscious of the reality that all the problems of underdevelopment cannot be solved at once. We must therefore recognize that the foundation of true development lies in the human labor of our farmers and workers and that labor must therefore be properly mobilized so that [words indistinct] energies are maximally utilized. [Passage indistinct] There is need for our citizens to be mobilized to defend the integrity of the nation's economy, to fight corruption, discourage smuggling, and expose all forms of social (?evil). We need to promote and preserve an atmosphere of peaceful industrial harmony, sociopolitical stability, and unity. Our slogan for survival and orderly development is economic reconstruction, social justice, and self-

reliance. Economic reconstruction involves a radical review of our external dependency, building up our production process more on our own national and human resources [words indistinct]. In the process of doing so, we must rersolve as a people not to be lured into a false sense of economic security [words indistinct].

We must create social justice aimed at promoting equality of opportunities in all spheres of our national life — the fundamental principles are already enshrined in the 1979 constitution. We are dedicated to promote national integration, individual liberty and equality before the law. Their values must be made to operate at the legal, political, social, and economic levels. In the process of social integration, the country must [word indistinct] aggressive and cynic competition, [word indistinct], and religious bigotry. These are the vices which have bedeviled us over the years and their exploitation to the detriment of the nation must not be allowed to continue.

We are convinced that [words indistinct] of the strategies of building our new society, there are people who can develop the consciousness of being the masters of their own dfestiny. It does not mean autarchy nor does it mean that we need no help from our friends abroad. On the contrary, we need every help which we can get and we shall always try to get it. However, it is our inherent right to map out our own option, arrive at decisions on our initiative, and through the feelings of our talent. We must move from self-discovery to self-assertion and be prepared to accept fully the consequences of our mistakes. We must develop a sense of national pride, cultural identity, and commitment to real economic development based on our resources. The 1986 budget [words indistinct] the difficult journe_ oward economic recovery. I call on all of your to join me with confidence on this journey.

Long live the Federal Republic of Nigeria!

Public Reacts Favorably to 1986 Budget
AB021032 Lagos Domestic Service in English
0600 GMT 2 Jan 86

[Text] A cross-section of Nigerians has reacted favorably to most of the fiscal measures contained in the 1986 budget. The measures that have won the approval of many people are the decision to flow revenue from the withdrawal of petroleum subsidy into education and rural development as well as the compulsory pre-primary education. Most Nigerians who have commented on the budget are however of the view that the Federal Government needs an effective machinery for the monitroing of these measures to ensure perfect implementation.

In separate statements of support for the 1986 budget, the students of Bayero University, Kano, and the University of Ibadan said the various policies enunciated in the budget should be executed with determined vigor and concerned honesty. In its own statement, the Bayero University Students Union appealed to Nigerians to give the Federal Government all the support it needs to build a self-reliant economy. The Union, however, warned the government to maintain extra vigilance on the economic emergency period to thwart the efforts of local and international saboteurs.

On their own part, the University of Ibadan students applauded the Federal Government for cutting defense spending by over 218 million naira. It described the decision as a step in the right direction and commended President Babangida for giving the nation its first balanced budget for many years.

An economist, Rasheed Badamosi, commended the budget and said it was done for the first time with a lot of intellectual reasoning. He said it was also unique because it moved away from the usual 12-month calender accounting system. Mr Badamosi was, however, of the view that the decision to use 30 percent of the country's foreign exchange for servicing foreign debts could be misunderstood by our foreign trading partners as a kind of unilateral repudiation of our obligations.

In his own comment, another economist, Isaac Olokun, described the decision on foreign exchange debt servicing as a realistic one. He explained that given the economic position of the country now, we could not afford to use 34 percent of the foreign exchange to service debts.

Another measure applauded by Nigerians was the decision by the government to ban the importation of vegetable oil and stockfish. Most of those interviewed by a Radio Nigeria's agriculture and commerce correspondent, expressed support for the government's action. They agreed that the ban would help conserve the country's meager foreign exchange. Many housewives said the two items were not very essential, since there were subtitutes, and that they have learned to do without them. They noted that the ban on stockfish in particular was a blessing since it had long become an elite food. They also commended government decision to reduce the number of its official vehicles, describing it as a bold action. According to them, the measure would go a long way in cutting down government's overhead costs and the revenue realized used for useful ventures.

Meanwhile, there have been mixed reactions to the new prices for petrol and diesel announced in the budget speech. Most filing staions in Lagos and Benin are not attending to customers because according to them, they have not adjusted their meters. The few stations accessible to motorists are complying with the new rates of 39.5 kobo for one liter of petrol and 29.5 kobo for a liter of diesel. However, the dealers told Radio Nigeria correspondents that the prices could have been put at 40 kobo and 30 kobo respectively to make them round figures.

In an interview in Lagos yesterday with our correspondent, the minister of petroleum resources, Professor Tam David-West, said officials of the NNPC [Nigerian National Petroleum Company] were already monitoring operations at the depots and filling stations to ensure smooth transaction and prevent the exploitation of customers. The minister also told our correpondent that the price of cooking gas was affected by the new dispensation, but that the prices of lubricants remained the same.

President Babangida has said that kerosene was not affected by the price increases. The new prices follow the 80 percent cut in government subsidy on petroleum products announced by the president in his budget speech.

Air Force Personnel Urged To Be Loyal

AB021038 Lagos Domestic Service in English 0600 GMT 2 Jan 86

[Text] Officers and men of the Nigeria Air Force in Makurdi have been told not to allow the action of their colleagues who took part in the abortive coup plot to dampen their morale and loyalty to the Federal Government. The chief of Air Force, Air Vice Marshal Ibrahim Alfa, gave the charge in Makurdi while delivering the president's message to the Air Force personnel. He also advised them not to engage in rumor-mongering and to report suspicious characters to their commander.

Air Vice Marshal Alfa gave an assurance that the Federal Government would continue with the expansion of the Nigerian Air Force base in the Benue State capital because of its strategic importance to the security of the country.

Minister on Two-Tier Foreign Exchange Market

AB021720 Paris AFP in English 1546 GMT 2 Jan 86

[Excerpt] Lagos, Jan 2 (AFP) — Nigeria is to initiate a two-tier exchange rate system which will give domestic commercial banks free access to foreign exchange at a rate determined by market forces, Finance Minister Kalu I. Kalu said here today.

In a press conference to discuss the West African country's 1986 budget, Mr Kalu said the new system would provide for "market-regulated transactions of foreign exchange by domestic commercial banks." "Exchange rates and rates of interest in these transactions will be unregulated but permitted to reflect market forces," he added.

Until now, anyone exchanging the country's currency, the naira, at any rate without going through the central bank could incur a five-year jail sentence. The move appeared aimed at loosening the constraints on Nigeria's heavily-indebted economy, which is heavily dependent on oil and has been subjected to stringent exchange controls in recent years. In a related move, the government said it would start emitting large numbers of import licenses for trading at the new commercial rate of exchange.

The naira, which is currently worth around one U.S. dollar at the official rate, has been changing hands at one fourth that amount on the black market here. The new moves were expected to slow the illegal flight of capital, one of Nigeria's persistent woes.

On the country's external debt, Mr Kalu said no more than 30 percent ($2.8 billion) of total foreign exchange earnings would be spent on servicing during the coming year. He said the 42.2 percent ($4 billion) of foreign earnings required to service the debt in 1986 was "too much." The target would be achieved by "arranging with our creditors to reschedule some" of the loans, he said.

SENEGAL

President Announces New Cabinet Ministers

AB022240 Dakar Domestic Service in French 2200 GMT 2 Jan 86

[Text] In accordance with the Constitution, especially Article 43, and in accordance with Decree 85011 of 4 January 1985 reconstituting the government, the president of the Republic decrees:

Article 1. The functions of Doudou Ndoye as keeper of the seals and minister of justice have been terminated.

Article 2. The functions of Abdel Kader Fall as minister of culture have been terminated.

Article 3. The functions of Ibader Thiam as minister of national education in charge of higher education have been terminated.

Article 4. The functions of Amadou Bator Diop as minister of rural development have been termintaed.

Article 5. The functions of Moussa Balla Daffe as minister of scientific and technical research have been terminated.

Article 6. The functions of Hamidou Sakho as minister of housing and urban affairs have been terminated.

Article 7. The functions of Djibo Ka as minister of information and telecommunications and relations with parliament have been terminated.

Article 8. The functions of Thierno Ba as minister of public health have been terminated.

Article 9. The functions of Mme Maimouna Kane as minister of social development have been terminated.

Article 10. The functions of Momar Talla Cisse as minister delegate for tourism have been terminated.

Article 11. The functions of Marie Sarr M'Bodj as secretary of state to the minister of national education in charge of technical and professional training have been terminated.

Article 12. The functions of Bocar Diallo as secretary of state to the minister of rural development in charge of fisheries have been terminated.

Article 13. The functions of Alioune Diagne Coumba Aita as secretary of state to the minister of civil service, employment, and labor in charge of employment have been terminated.

Article 14. The following appointements have been made: Seydou Madanisi, keeper of the seals and minister of justice; Iba Der Thiam, minister of national education; Djibo Ka, minister of communication; Camara Ibrahim Sagna, minister of rural development; Mrs Marie Sarr M'Bodj, minister of public health; Momar Talla Cisse, minister of Tourism; Alioune Diagne Coumba Aita, minister of housing and urban affiars; Mrs Man-

toulaye Dieng, minister of social development; (Marhili Gassama), minister of culture; Thierno Ba, minister delegate to the president of the republic in charge of relations with parliament; Mamadou Soulaymane Diallo, secretary of state to the minister of rural development in charge of animal husbandry.

Article 15. Consequently, the list of ministers and secretaries of state is as follows:

Minister of Armed Forces:
Medoune Fall

Justice and Keeper of the Seals:
Seydou Madanisi

Foreign Affairs:
Ibrahim Fall

Interior:
Ibrahim Wone

Economy and Finance:
Mamadou Toure

Plan and Cooperation:
Cheikh Amidou Kane

National Education:
Iba Der Thiam

Equipment:
Robert Sagna

Communication:
Djibo Ka

Rural Development:
Camara Ibrahim Sagna

Industrial Development and Crafts:
Serigne Lamine Diop

Public Health:
Mrs Marie Sarr M'Bodj

Commerce:
Abdourahmane Toure

Civil Service, Employment, and Labor:
Andre Sonko

Tourism:
Momar Talla Cisse

Housing and Urban Affairs:
Alioune Diagne Coumba Aita

Social Development:
Mrs Montoulaye Dieng

Water Resources:
Samba Yella Diop

Culture:
(Marhili Gassama)

Youth and Sports:
Landing Sane

Environment:
Cheikh Cissoko

Minister Delegate for Emigration:
Mrs Fambaye Fall Diop

Relations With Parliament:
Thierno Ba

Secretary of State to the Minister of Interior in Charge of Decentralization:
Moussa Ndoye

Secretary of State to the Minister of Rural Development in Charge of Animal Husbandry:
Mamadou Souleymane Diallo

Article 16. The present decree will be published in the Gazette.

ANGOLA

Dos Santos Gives New Year's Address

MB011449 Luanda Domestic Service in Portuguese 0737 GMT 1 Jan 86

[New Year's message delivered by President Jose Eduardo dos Santos on 31 December; place not given — recorded]

[Excerpts] Comrades and compatriots: In November 1985 we commemorated 10 years of independence, 10 years as an independent nation. This is a very short time in the history of any people. It is evident that despite the enormous efforts and sacrifices of the working masses, under the leadership of the party, to end famine, misery, endemic diseases, backwardness in the economic and cultural sectors, and other ills resulting from our heavy colonial heritage, our country still has the characteristics of a developing nation. I would have liked on this occasion to paint you a picture of an Angola where famine and problems in the medical field, health care services, potable water supply, and other areas would either be nonexistant or quite manageable. However, I cannot do this because there are various internal and external factors still hindering the process of accelerated development for which we are striving. It is within the framework of an intense struggle in all fields of the economy that the Angolan people have achieved notable successes.

Despite shortages, in 1985 we ensured a more regular supply of essential foodstuffs to the people. We solved the problem of systematic shortages in the stocks of goods through the implementation of tighter control measures. The supply of raw materials to enterprises has improved and we have obtained the first successes in the rehabilitation of the construction materials industry.

The holding of the second party congress was a resounding victory for the Angolan workers and people. After each victory we achieved, internal reaction, the puppets, and their racist and imperialist allies became more desperate. Thus, they intensified their disinformation campaigns against our party and state in order to tarnish its image and to create confusion. They are also stepping up their armed actions and sabotage to hinder our progress. Therefore, we should strengthen our vigilance, we should not allow divisions among us, we should not give our enemies the opportunity to exploit tribalism, racism, regionalism, and other factors to further divide us. To defend party unity and internal cohesion and use party principles as a sound basis to consolidate national unity is essential for the annihilation of the reactionary forces and the triumph of the revolution. All the troublemakers, gossips, and opportunists who want to twist and misinterpret the decisions of the second congress in order to undermine and weaken our unity should be politically unmasked, denounced, and neutralized. We shall not allow anyone to play the game of reaction in our rearguard. The results of the second congress are the product of an ample democratic process which, despite some shortcomings, has revealed the increasing political maturity of the militant party masses.

Elements of the foreign bourgeoisie, which has lost its political power in our country, are financing, organizing, training, arming, and commanding from outside armed bands of Angolan puppets which they use as agents and lackeys to destabilize the coutnry and destroy its economy through armed operations. Foreign forces, composed of South African military units and mercenaries, are systematically intervening in serveral regions of the national territory with the same objective. In addition to these aggressive, open, and violent actions, which force the mobilization of our people to the struggle, the reactionary forces use other, subtler ways to attack, weaken, and destroy in the long term the socialist sector of the economy and other socialist victories of the working masses.

Through bribery and corruption and in violation of existing laws, some reactionary elements are giving them technical and material support and diverting state funds to private enterprises to the detriment of state enterprises in the same field. The return of property and industrial and commercial production centers to former owners who left the country in 1975 has created enormous difficulties for us. The reactionaries also want to facilitate unchecked growth either in the private capitalist sector or in the small business sector which could jeopardize the victories of our democratic and popular revolution in the long run. We must not look upon these and similar attitudes as simply naive. These attitudes are not the result of chance or ignorance. These are attitudes taken by the reactionaries with a purpose and reflect their class position and behavior. The reactionary elements of the petit bourgeoisie shout party watchwords and assume the role of revolutionaries and patriots, when they are really reactionary elements who take advantage of the disorganization and lack of vigilance and control still present in certain sectors of the state apparatus to act against the interests of the working class and its allies.

Comrades and compatriots, the puppet gangs that aimed to reach Luanda in December last year were neutralized. The enemy's plans were foiled due to FAPLA's increasing military capacity and to the recruitment of thousands of citizens into the paramilitary forces. Our armed forces have carried out military operations against the enemy with courage, determination, bravery, and a high spirit of sacrifice. On the fighting fronts of Cazombo, Mavinga, along the Lomba River, in (Cojumbia), and other places, our officers, noncommissioned officers, marines, and soldiers added new chapters to the pages our history with their heroic deeds. They revealed great knowledge of modern militiary science and art, great resistance and initiative, and an endless commitment to the just struggle of the Angolan workers, peasants, and people. The successes achieved in 1985 show that FAPLA has improved its discipline and achieved higher organization, technical, combat, and political levels.

However, the aggressive imperialist operations against our country may reach new heights with the announced support from conservative U.S. political circles to the UNITA puppets. This must be faced by our people with a renewed determination to defend our sovereignty and territorial integrity. In this context, FAPLA, as the people's armed wing, must continue to improve the organization, direction, and command of its services in the military regions and units, strengthen military discipline, and control and raise the level of technical and political preparation and combat readiness, and improve logistics so that weaponry, ammunition, foodstuffs, and other supplies arrive in due time to

the military units which are either billeted or campaigning. All in all, FAPLA must continue to improve its combat capabilities, mobility, and use of forces and means available to confront successfully these new forays by internal and external forces.

The establishment of friendship, solidarity, and cooperation with friendly armies, the exchange of experiences, and the development of an internationalist spirit should also be considered as important factors in the development and strengthening of the armed forces. Within the framework of the defense of people's revolution, an important role is to be played by the security and internal services in the detection of infiltrated agents, saboteurs, and troublemakers. Thus, it is imperative the organization and professional training of cadres in these services and their technical and operational capabilities must improve so that they will contribute to the success of FAPLA military operations.

PLO Congratulated on Anniversary of Struggle

MB021202 Luanda Domestic Service in Portuguese 1900 GMT 1 Jan 86

[Text] On the occasion of the 21st anniversary of the armed struggle of the Palestinian people against Israel's anachronistic system, Afronso van Dunem Mbinda, MPLA-Labor Party Central Committee secretary for external relations, has sent a message to the PLO leadership.

Comrade Mbinda emphasizes that today is important politically because it made the Palestinian people understand that only through armed struggle could they free themselves from the Zionist forces which aim to annihilate them and occupy their territory. Political stability in the Middle East depends on self-determination and independence for the Palestinian people, the message says. Comrade Mbinda reiterates the total support of the Angolan people and the MPLA-Labor Party Central Committee for the Palestinian people and the PLO and he wished them success in their struggle for their inalienable rights.

The 21st anniversary of the armed struggle of the Palestinian people was the theme of a press conference held in Luanda yesterday by Abu (Dayif), the PLO ambassador in Angola. The PLO diplomat said that the Palestinian struggle aims at the creation of an independent state and the reestablishment of peace in the Middle East. Abu (Dayif) said the PLO attaches great importance to the holding of an international conference on the Middle East. He said his movement would be attending the UN Security Council as the sole legitimate representative of the Palestinian people.

UNITA Claims 200 Troops Killed in Offensive

MB021525 Umtata Capital Radio in English 1500 GMT 2 Jan 86

[Text] UNITA claims to have killed about 200 government troops and a number of foreign workers. Five Portuguese technicians are said to be among those killed in the latest rebel offensive against the Luanda government.

In a statement issued in Lisbon, a UNITA spokesman claims the attacks took place in the last 9 days of December. The spokesman has said UNITA cannot guarantee the safety of foreigners for the government in what he called war zones.

Fighting between the rebels and Luanda has been continuing since Angola gained independence in 1975. There is no independent confirmation of the reports.

LESOTHO

RSA Reportedly Turning Back Citizens at Border

MB021150 Maseru Domestic Service in English 1130 GMT 2 Jan 86

[Text] Lesotho nationals crossing into South Africa through the Maseru Bridge border post are continuing to be turned back at the South African side of the border post. Yesterday, the only people allowed to cross were those employed in the mines, while those who were crossing for private visits were told that they would be allowed to enter South Africa today. However, a source at the Maseru border post this morning said that more people were being turned back today and no reason was known for this action.

Government Demands Explanation

MB031200 Maseru Domestic Service in English 1130 GMT 3 Jan 86

[Text] The Lesotho Government today formally asked the South African Government to explain why it has chosen to close the border posts between the two countries unilaterally, thus abrogating an agreement entered into by the two states regarding the movement of persons across the borders.

Lesotho nationals have been refused entry into South Africa since 1 January.

Meanwhile, this morning, the South African border authorities at the Maseru border post refused to talk to Radio Lesotho reporters about Lesotho nationals being turned back at the South African side of the border for the third successive day.

According to reports reaching Radio Lesotho, this has also happened at (Zandlowan Staedt) in Mafiteng; (Mahalendush) in Mohale's Hoek; Ficksburg Bridge; and (Camden's Berg) in Butha Buthe. The district coordinators for Mafiteng and Mohale's Hoek have confirmed that the only people allowed to cross are those working in the South African mines, while those going for shopping and other private purposes are being turned back.

Meanwhile, the minister of information and broadcasting, The Honorable Desmond Sixishe, said he felt that the South African action was a retaliative move against Lesotho for last week's petition to UN Security Council over the killings on 20 December 1985 in Maseru.

MOZAMBIQUE

President Machel Delivers New Year's Message

MB010943 Maputo Domestic Service in Portuguese 1800 GMT 31 Dec 85

[New Year's Message by President Samora Moses Machel on 31 December; place not given — recorded]

[Excerpts] Mozambican men, Mozambican women, compatriots: The year 1985 was marked with the celebration of the 10th anniversary of national independence. From the Rovuma River to the Maputo River, Mozambicans of every origin and status celebrated with joy and pride this great anniversary of our sovereign and free fatherland. At official functions as well as during spontaneous celebrations which took place throughout the country, Mozambican people remembered the long path we have trod. With patriotic zeal, we all recalled our hardships and sacrifices in achieving national independence. With love and devotion, we remembered our heroes, those who with their example and life built our victory in the armed struggle for the national liberation. However, the 10th anniversary was above all a period of assessing achievments made by the People's Republic of Mozambique to raise man's dignity and build well-being, progress, and justice. We examined in depth the initial political, economic, and social measures needed to build a popular democracy and create the bases of a socialist society in our free fatherland.

We examined the logical diplomatic activity of the People's Republic of Mozambique in support of the liberation of peoples from imperialism, colonialism, racism, and apartheid and for peace, democracy, progress, and social justice. We examined and understood the true dimension of the war mounted against enemies of liberty determined to subvert the nature of our state and the significance of our independence.

Together with unfavorable climatic conditions and the serious consequences of the world economic crisis for our economy, the external aggression mounted against us constitutes a fundamental factor in delaying our economic recovery. Despite various negative factors, the People's Republic of Mozambique possesses all the conditions to overcome the crisis and build the future of well-being and prosperity that we all desire. Our state's strategy under the leadership of the Frelimo Party, is already producing its first results.

At the international level, we have neutralized the siege that imperialism intended to impose on us. We have made advances in isolating the aggressive forces of our region. We have reinforced our alliances and won more friends. The sympathy and understanding toward our position, the position of the People's Republic of Mozambique, grows daily.

Today, the world is aware that Mozambique is the victim of terrorism. Many countries, including Western countries, condemn the terrorist and racist aggression against our country. They express their solidarity and are willing to positively contribute to establish peace in southern Africa.

Maintaining our socialist option, we promoted cooperation with all members of the international community, and optimistically view the positive development of relations with our new economic partners. We would like to express our appreciation for the important and increasing material support rendered by the international community of the People's Republic of Mozambique.

At the internal level, the military offensive has enabled us to destroy the main strongholds of the armed bandits and to disrupt their criminal actions. Our offensive has resulted in the liberation of thousands of peasants who lived under the yoke of the bandits, under inhuman brutal conditions. Despite the support South African warmongering circles continue to provide to terrorism in violation of the Nkomati Accord, the disintegration of armed banditry is undeniable.

The Mozambican nation upholds and will continue to uphold its policy of clemency toward those armed bandits who surrender, with their weapons, to our authorities in a spirit of true repentance and with a willingness to be reintegrated into Mozambican society. The nation will continue to be inflexible and implacable toward all those who persist in a course of crime and barbarity against our people.

In the economic field, the 14th session of the People's Assembly made a profound assessment and outlined, in the 1986 State Central Plan, the main guidelines for our struggle. We must now move forward resolutely to correct the errors and deviations that have been detected in the fulfillment of important aspects of our economic policy. Likewise, complementary actions must be carried out to ensure that some of the measures that have already been taken in the economic field will fully attain their objectives. This is applicable to the law on foreign investment, the new foreign exchange regulations, and the policy of liberalizing the prices of several consumer goods. A more systematic study of these cases and proposals for adequate action in each situation are the objectives of a commission appointed by the Political Bureau of the Frelimo Party Central Committee, which will prepare a program to implement economic policy measures as of 1986. This commission will specifically base its activities on questions related to prices, salaries, and labor and financial reorganization.

In 1986, we will deepen and expand the actions for the control of enterprises, cooperatives, and production units and the state apparatus itself. We will implement the labor law that was approved by the 14th session of the People's Assembly, and apply the principle of accountability at all levels. It is urgent that in the context of this exercise, we activate the working commissions of the People's Assemblies which will control the activities of state organs at all levels. In all sectors, from the state official down to directors of enterprises, schools, and hospitals, we will fulfill the principle of regular accountability and individual responsibily in the fulfillment of tasks.

Thus, we will exercise our state power and transform 1986 into the year of responsibility.

Mozambican men and women, fellow countrymen, 1986 will be the international year of peace. For the sake of all mankind, it is imperative that the already meaningful actions carried out in

1985 will continue with a view to eliminating the causes of tension, conflicts, and wars. At the international level, we believe that it is necessary to strengthen the favorable trends toward understanding, dialogue, and peace which were seen in 1985 in relations among nations with different political and social systems. The fundamental guidelines for international policy are the prevention of a war in space, an end to the arms race, and the destruction of military arsenals capable of activating a nuclear war that will destroy human civilization. These guidelines form part of the foreign policy of peace of the People's Republic of Mozambique. At the regional level, an end to the acts of war, aggression, and terrorism and to the use of force in relations among nations are also fundamental guidelines to which we must pay the necessary attention.

The attainment of peace in southern Africa will mean national independence for Namibia and the end of apartheid in South Africa. It will mean respect for the sovereignty, territorial integrity, and independence of the nations of southern Africa. It will therefore mean an end to the acts of aggression, violence, and terrorism promoted by the warmongering circles of South Africa in violation of the most elementary norms of international law governing relations among nations. Peace is an indispensable factor in the development of peoples. A lasting peace also means the increasing concentratoin of means and resources for the development of peoples so that the well-defined differences between poverty and wealth and the stagnation of many and the prosperity of few may be eliminated. The People's Republic of Mozambique will continue to make efforts toward peace in southern Africa and the world.

NAMIBIA

Price of Petrol Increased by 4 Cents

MB021951 Johannesburg Domestic Service in English 1930 GMT 2 Jan 86

[Excerpt] The price of petrol has been increased in certain parts of South-West Africa. Earlier it was reported from Windhoek that the price would be adjusted only after the school holidays. Latest reports say that in the far southern and the far northern South-West Africa, petrol will cost up to 4 cents a liter more. On the coast and in the central interior, the price will remain unchanged until after the holidays.

SOUTH AFRICA

Ambassador Interviewed on Relations With U.S.

MB030630 Johannesburg Domestic Service in English 0600 GMT 3 Jan 86

[Text] South Africa's ambassador in Washington, Mr Herbert Beukes, says South Africa is not experiencing any problems in the handling of its foreign policy relations with the United States. Mr Beukes said there was a spirit of healthy interaction, consultation, and cooperation, and relations were as good as at any time in the past. In an interview with the SABC's representative in Washington, Mr Beukes said that certain American congressmen were not motivated to take a stand against South Africa, but that they could not state this position within a political context.

Mr Beukes said he was optimistic that South Africa would be able to present its case more effectively in the United States in future. Much had happened which had been noted by the government (?and) the public, and South Africa did not need a foreign conscience to identify its shortcomings, he said. The government had spelled out its intentions at its party congresses and was now preparing to implement them. Mr Beukes said the American Government, Congress, and public were now awaiting this development in a spirit of anticipation. He said a growing understanding ought to develop in the United States as South Africa took these steps.

Referring to the Angolan issue, Mr Beukes said that South Africa had taken the initiative, without changing its standpoint, to get negotiations under way by enabling the American Government to make contact with the Angolan Government. The greatest stumbling block in the negotiation process was the uncertainty of the MPLA governemt, whether it would obtain the support of the Angola population in an impartial and unprejudiced situation.

Mr Beukes said UNITA was seeking an opportunity for national reconciliation. The movement's cause had been increasingly promoted in Washington during the past few months, and there was greater understanding of its true aims now.

Memorial Service for Molly Blackburn Banned

MB030718 Umtata Capital Radio in English 0700 GMT 3 Jan 86

[Text] A memorial service for civil rights activist Molly Blackburn has been banned. Reports from Johannesburg says the divisional commissioner for the Eastern Province issued the banning order yesterday. A number of prominent activists were expected to attend tomorrow's service, including Rev Beyers Naude of the South African Council of Churches. More that 20,000 people attended Mrs Blackburn's funeral in Port Elizabeth yesterday.

UDF Official Delivers New Year's Statement

MB021736 Johannesburg SAPA in English 1733 GMT 2 Jan 86

[Text] Cape Town, Jan 2, SAPA — The United Democratic Front [UDF] today said it entered 1986 with "great optimism and confidence" since the "elimination of the detested apartheid system has never seemed so certain in South Africa's history".

Mr Murphy Morbe, acting UDF national publicity secretary in his New Year's message said: "In the coming year we must intensify the struggle against the aparthied state. We have since the formation of the front through our determined and consistent struggles rendered the constitution and dummy structures unworkable."

He said that the democratic movement had made "momentous strides in the march to freedom and democracy" but in the process the "toll in blood, sweat and tears has been phenomenal".

Mr Morobe called on the white community to "ditch Botha and join the democratic movement in our struggle for a just and peaceful South Africa".

"To Reagan and Thatcher we say they must support the forces fighting for democracy and isolate the apartheid regime."

"To the Botha government we say that they must abdicate power and allow a democratic government to be established."

"We pay tribute to our comrades whose blood has watered the tree of freedom, and to our comrades who have been detained, tortured and imprisoned during the struggle."

"We pay tribute to our workers for uniting to form the largest trade union federation in our history as COSATU [Congress of South African Trade Unions]," Mr Morobe said.

"To our students, parents and teachers, we salute your brave decision to re-occupy the schools in order to strengthen your organisations and implement a people's education for a people's power."

Mr Morobe said the Botha government was "a government of war and not of peace and reform".

"In the last weeks of 1985, its military escapades into neighbouring countries continued with greater vigour."

"We in the democratic movement recognise that our challenges will increase in 1986. For all democrats 1986 will be the year of unity of all forces opposed to the apartheid regime".

Township Sealed Off for UDF Members' Funeral

MB021728 Johannesburg SAPA in English 1726 GMT 2 Jan 86

[Text] Cape Town, Jan 2, SAPA — Police and the army today sealed off the township of Mbekweni outside Paarl during the funeral of four people who died last week in township violence. Two of the people were believed to be Mr Ntemi Phike and Mr Mongezi Linzi.

They and two other members of the United Democratic Front [UDF] were apparently killed in clashes with AZANYU, (Azanian Youth Union), a rival group.

All entrances to Mbekweni were blocked by police vehicles and soldiers manned road barricades while an army helicopter circled overhead. Vehicles trying to enter the township were stopped and those not driven by residents were turned back. The press was refused entry and was told by a policeman "no one can go in while the funeral is on." Police patrolled dirt roads leading to Mbekweni inrough surrounding farms and industrial areas. Riot vans drove through Mbekweni and many police on foot were present.

Zinzi Mandela To Sue Police Over Son's Injury

MB030839 Umtata Capital Radio in English 0800 GMT 3 Jan 86

[Text] Zinzi Mandela claims police injured her 2-year-old son. The daughter of jailed ANC leader, Nelson Mandela, is taking legal action for the incident, which allegedly took place on Monday when her mother, Winnie, was arrested while attempting to return to her Soweto home. Miss Mandela claims her son was injured when a police officer banged him against the car transporting Winnie Mandela. Police say they know nothing of the incident.

Causes for Petrol Price Increase Discussed

MB021633 Johannesburg Domestic Service in English 1530 GMT 2 Jan 86

[Text] The announced petrol price increase which came into effect yesterday has caused confusion at filling stations for the past 2 days. This report from Ray Foray:

[Foray] The hike in the price of petrol and diesel fuel which has been ascribed to increased transport tariffs varies from no increase in coastal cities to an increase of 4 cents a liter in the price of 87 octane petrol in the far-western Transvaal. On the Rand, for instance, the hike is 2 cents a liter. A spokesman for the Department of Mineral and Energy Affairs said the price of diesel had also been raised by 2 cents a liter in certain parts.

The unannounced increases have cause great consternation among the public and the media alike. The motor industry's federation said it had informed all filling stations under its wing, which covers about 80 percent of all the filling stations in the country, about the increases on 20 December. The director general of mineral and energy affairs, Dr Louw Alberts, said that an increase in transport costs could be compared to the increase in GST [general sales tax]. The effective increase in transport costs are calculated and simply added to the pump price, but the minister of transport affairs, Dr Hendrik Schoeman, denied that the hikes could be attributed to the transport services goods tariff increases. He said that the goods tariff increase had all necessitated an increase on average of 0.5 cents a liter in the price of fuel, and that the 2 cent price fuel increase could thus not be attributed to the transport services. Dr Alberts pointed out that the fractions of cents were rounded off because the pumps were no longer able to accommodate the fraction. Instead, the fractions were included in the savings fund to the advantage of the consumer.

PFP Spokesman Comments

MB021846 Johannesburg SAPA in English 1828 GMT 2 Jan 86

[Text] Johannesburg, Jan 2, SAPA — It was 'ridiculous' that Reef motorists should have pay more for petrol to subsidise transport costs, Mr Brian Goodall, Progressive Federal Party [PFP] spokesman on mineral and energy affairs, said tonight.

In a statement issued here, he said profits from the running of the country's oil pipeline should be used to help reduce cost increases to Reef motorists.

Mr Goodall, PFP MP for Edenvale, said in his statement: "It is ridiculous that Reef motorists have to pay increased prices for petrol because of transport costs. For a number of years now, the oil pipeline has run at a massive profit. Indeed in some years the profit has been in excess of R200 million per annum. The time has come to use these profits to help reduce cost increases to the Reef motorist.

"Why should the Reef motorist have to subsidise South African Transport Services' uneconomic services? If they have to be subsidised, let the whole of South Africa bear the cost of it and not only Reef motorists. The way in which the price increase was handled is disturbing. Surely the government can give motorists and the motor industry sufficient warning to prevent the confusion which arose in this case."

Research Bureau Foresees 'Bleak' Employment Prospects

MB030549 Johannesburg Domestic Service in English 0500 GMT 3 Jan 86

[Text] The Bureau for Economic Research of the University of Stellenbosch says the most disturbing factor which has become evident in the current economic recession is the detrimental effect it has had on employment. The bureau says in a manufacturing survey that the long- and short-term outlook for employment in the manufacturing sector is rather bleak. The high population growth rate, combined with the large component of unskilled labor, is putting tremendous pressure on economic and educational facilities in South Africa.

The bureau says the country's economy will have to expand rapidly to accomodated its increasing labor force, and to achieve this foreign capital investment is essential. The bureau says, however, that with the depressing outlook regarding new foreign investments, the employment problem has come to stay. According to the survey, the present downturn in the economy has intensified the problem and is creating an ideal environment for discontent, unrest, and violence.

Police Report Unrest Incidents, Arrests, Arson

2 Jan Evening Report

MB021714 Johannesburg SAPA in English 1712 GMT 2 Jan 86

[Text] Pretoria, Jan 2, SAPA — The following is the 7 pm unrest report issued by the police directorate of public relations in Pretoria:

In Soweto, Johannesburg, a private house was petrol bombed, and damage was caused of approximately R1,000. No arrests or injuries were reported. At Zwide, Port Elizabeth, Veeplaas, Port Elizabeth, KwaZakele, Port Elizabeth and in KwaThema, Springs, incidents of stonethrowing occurred. No arrests or injuries were reported.

At Dennilton, KwaNdebele, two black men were arrested while intimidating others.

3 Jan Morning Report

MB030817 Johannesburg SAPA in English 0807 GMT 3 Jan 86

[Text] Pretoria, Jan 3, SAPA — Four people died in unrest overnight and early today, one in troubled KwaNdebele and the rest in the Cape Province, police said. The body of an unidentified man was found at KwaNdebele. He was allegedly murdered during a faction fight, police said.

A hut set on fire by arsonists in Hqwali near Stutteheim in the Cape claimed the lives of two men, the regular morning police bulletin on unrest said.

In the same attack another man was injured when confronted by men armed with stones and knives. Police used shotgun fire to end the incident and arrested two men. No one was injured when police opened fire, the report said.

In the black residential area of Sandbult near Burgersdorp, police found a "badly burnt black man" and took him to hospital where he died, the report added.

Police also reported various incidents of stonings, arson and other acts of violence in Soweto, the West Rand and the coloured area of Athlone in the Cape.

Deaths Reported in Moutse

MB021513 Johannesburg SAPA in English 1512 GMT 2 Jan 86

[Text] Johannesburg, Jan 2, SAPA — Up to 18 tribesmen have died in the Moutse area of northern Transvaal in two days of fighting between local youths and KwaNdebele "vigilantes," according to unconfirmed reports from the area where fighting is reportedly still going on. And residents of Moutse, north-east of Pretoria, say at least 60 men have been abducted from their homes and are being held hostage in KwaNdebele.

The Black Sash, which has sent field workers from its Transvaal Rural Action Committee to monitor the situation, hosted a press conference in Johannesburg today over the clashes, which it described as "potentially more bloody than anything we have seen in South Africa."

Mr Maredi Cheue, MP for the area which is to be transferred from Lebowa and incorporated into KwaNdebele against the wishes of large numbers of residents, spoke to newsmen today on behalf of Chief T.G. Mathebe on what he described as the "unwarranted invasion" early yesterday morning by hundreds of KwaNdebele "vigilantes."

Mr Cheue said the vigilantes were members of a mafia-type organisation called "Imbokhotho" (Mill), which aimed to suppress opposition to the incorporation of Moutse into KwaNdebele, which is scheduled for independence later this year.

As the vigilantes — armed with axes and the odd firearm — began storming and looting homes and abducting men at 4 am yesterday, the Moutse youth were alerted by the sounding of Kudu horns — "The traditional method of warning our menfolk that they must come out from their homes, armed, to defend their people."

He said while the situation was far form clear, residents had received reports that up to 17 vigilantes, and one of their own youths, had been killed.

Mr Cheue produced the names of 60 men he said had been abducted by the vigilantes and taken off to KwaNdebele, where they were apparently being held as hostages. Their lives were in danger, he said, appealing to the South African Government to take action to secure their release.

Many other Moutse residents, he added, had apparently fled into the hills to seek refuge from the vigilantes, who had gone through villages systematically breaking down doors with axes, then looting money, jewellery and whatever valuables they could find.

Mr Cheue said the South African police had been warned of the threat of impending attacks, but they appeared to have done little to protect Moutse villagers. "They have taken a very indifferent attitude towards our situation."

He said one van-load of five vigilantes had been confirmed as burned, with all five dead. It was believed a second van, carrying two vigilantes, had also been destroyed with both men killed. Other reports said a further 10 vigilantes had been killed in the fighting.

Mr Cheue said the vigilantes were mainly adults, members of Imbokhotho, which he claimed businessmen and taxi owners in KwaNdebele were virtually required to join before being granted licences by the local authorities.

They were apparently claiming Moutse was now part of KwaNdebele, although as far as he knew the incorporation had not yet been made official. Moutse residents were still hoping the South African Government would listen to their pleas against incorporation.

"These two days of fighting have confirmed what we fear — that in independent KwaNdebele there will be no civilised standards, and we must resist."

He added: "We want Pretoria, and [Minister of Constitutional Development and Planning] Heunis in particular, to declare whether by incorporation he meant this type of invasion where KwaNdebele people are let loose and told to rampage over us. We were expecting a proclamation and not an invasion." Fewer than 10 per cent of the Moutse people were Ndebele-speakers, he said, and the vast majority felt they were part of South Africa and were opposed to being incorporated into an independent KwaNdebele.

"We feel South Africa has betrayed us," he said, adding that many felt the incorporation was being carried out to give an independent KwaNdebele some "respectability."

Moutse was potentially mineral rich, had the only hospital in a big area, and had a number of thriving small businesses, while KwaNdebele had virtually nothing.

"We would be the only viable area of KwaNdebele," he said. "It all looks like a reward to KwaNdebele for accepting independence to enhance their image as a state."

The current fighting, he said, had brought the Moutse people to "the point of no return. No amount of talk by Pretoria can now convince us it will be a worthwhile exercise. Incorporation is now non-negotiable and he (Mr Heunis) must now reverse the incorporation decision."

If the incorporation went ahead, his people would withdraw their children from schools, and refuse to accept KwaNdebele services and pensions. They would also take legal action.

Meanwhile, they were today seeking legal advice on the possibility of getting an interdict against the vigilantes in an effort to gain the release of the hostages.

Three Dead in Khayelitsha

MB021434 Umtata Capital Radio in English 1400 GMT 2 Jan 86

[Text] Three more deaths have occurred at the Khayelitsha township near Cape Town. This follows last week's revenge rampage by community councillors and elders which ere aimed at rooting out militant township elements.

Capital's Rafik Rohan has details:

[Rohan] The three bodies were discovered in Khayelitsha this morning. Two of the victims were found with their hands tied behind their backs. The bodies have not yet been identified.

A police liason officer says that these three deaths bring the death toll in the township to (?four) since 31 December when the fighting broke out.

According to residents, the violence started on Christmas eve following the killing of a new (?Crossroads) community councillor who was hacked to death with hatchets and his body set on fire in his vehicle.

Thereafter, members of groups affiliated to the United Democratic Front were hunted and beaten by large groups of men led by community councillors.

It was learned this morning that a number of clergymen are trying to initiate peace talks between the various hostile groups in the township.

Police Ask Umbumbulu Residents To Turn in Weapons

MB310817 Johannesburg SAPA in English 0804 GMT 31 Dec 85

[Text] Durban, Dec 31, SAPA — Police today made an urgent appeal to residents of strife-torn Umbumbulu on the Natal South Coast, where more than 63 people died in a bloody Christmas clash last week, to hand over illegal and unlicensed weapons.

A police spokesman in Durban said the residents had been asked to take advantage of an offer of amnesty, announced by the minister of law and order earlier this month, by which those who handed illegal arms to the police before the end of February would not be prosecuted. However, early police reports indicated that none of the residents had yet done so.

An Umbumbulu police spokesman said the area had been tense but quiet yesterday.

The assistant warden of Santa's KwaMakhuta Clinic, Mr Japhet Luthuli, said police were on guard outside the centre, where many of the refugees from the area have been staying. He said that just under 400 refugees had slept at the centre last night.

Meanwhile, discussions between the Transkei and Zulu authorities appear to have reached a deadlock over the fate of the illegal Pondo and Zulu squatters in the Umbumbulu area. The local Zulu Chief, Chief Bhekizithi Makhanya, maintains that all the squatters should leave the area.

However, the Transkei consul in Durban, Mr T. Sikelana, refuses accept that Chief Makhanya has the authority to order the squatters out. Mr Siklena said today he was awaiting further instructions from the Transkei government.

Press Reportage, Commentary on Emergency

MB030620 [Editorial Report] South African English- and Afrikaans-language newspapers continue to report and comment on the state of emergency and related topics:

Petrol, Other Price Hikes

An article in Johannesburg *THE STAR* in English on 12 January by Maud Motanyane and Jackie Unwin reports on the "surprise overnight increase in the price of petrol," which will raise prices anywhere from 2 to 4 cents. The increase "may well be followed by another blanket increace next month which could raise the cost of petrol by another 5 cents a liter." Although retailers said this increase would not have much effect on prices, "the year would open with massive price rises based on the previous increase and the recently imposed 10 percent import surcharge." The price of basic foodstuffs, such as margarine and bread, appliances, medicines, and liquor are all expected to rise. The director of Operation Hunger said that black people and pensioners have been hardest hit by the price hikes, " 'but the problem will worsen among all racial groups as unemployment worsens.' "

Durban Violence 'Not Racial'

A report on the Durban beachfront violence notes that "police stressed that the unrest was not racial and stemmed from overcongestion and lack of facilities on the beaches during the traditional New Year's Day 'invasion.' " According to police the trouble began "when people objected to the police questioning a youth on a beach over the alleged theft of a radio."

Moutse Violence

Jo-Anne Collinge reports on the violence in Moutse over the district's incorporation in to KwaNdebele, noting that over 100 riot policemen and SADF personnel patrolled the area in armored vehicles. She notes that "traditional leaders and the more militant Dennilton Youth Congress have joined hands to resist the incorporation."

Suzman Says Ban 'Futile'

Reacting to the announcement by Law and Order Minister le Grange of a ban on meetings of 74 organizations in 30 magisterial districts, Helen Suzman, Progressive Federal Party (PFP) spokesman on justice, said "extending restrictions was really futile and the Government should have learnt over the past six months such action did not curb unrest in any way," the paper reports.

Kagiso Clash 'Averted'

Rich Mkhondo reports that almost 1,000 people gethered outside the house in Kagiso where Winnie Mandela had gone to visit a friend after her appearance in court and release on bail. They demanded to see Mrs Mandela and "after an hour, more people arrived and scores of others chanting freedom songs emerged from the street corners singing ANC freedom songs and songs in praise of Mrs Mandela." Police, who had been filming the proceedings, then ordered the crowd to disperse, at which point "chanting and marching youths hurled insults at police." A Catholic nun then intervened, telling police that " 'there is nothing sinister in what the youths are trying to do,' " and urging the youth to disperse and stop singing freedom songs. Police "then took down names of all white members of the Press and gave them five minutes to leave the township." After they left, "police apparently fired tear gas into the crowd" and a black television cameraman was briefly arrested for trying to film the police action. A British television reporter who argued that Kagiso fell outside the emergency areas was told that "an officer above the rank of lieutenant could declare a place an emergency area."

National Convention Defended

A letter by Douglas Gibson, the PFP Transvaal chairman and a member of the provincial council, says that "a voice of reason and moderation" is needed to deal with the escalating violence. The PFP fulfills the role in the political field, Gibson says, and there is also the National Convention Movement, whose proposal for a national convention "is starting to look more viable." If the convention fails, "South Africans may have to shoot each other to bits before trying again at a peace conference" For its part,

the PFP wants a "non-racial democracy" where "there is full and equal citizenship for all, exercised within the framework of a negotiated and agreed constitution which will guarantee the rights and freedoms of the individual with some recognition of, and protection for, the rights of all minority groupings."

AZAPO New Year's Message

A report on the New Year's message issued by Saths Cooper, president of the Azania People's Organization (AZAPO), says that the group's message to State President P.W. Botha " 'and his white minority government, which has mismanaged the economy and created strife in our country is: Step down and let the people rule.' " "Further suffering can be expected in 1986 and 'the state of emergency will become a way of life for black people and the violence which is inherent in our society will not cease.' " Cooper adds: " 'We must reject dummy solutions like the national convention and the regional services councils and we must boycott the Johannesburg Centenary which represents a century of exploitation.' "

STAR on Inflation

In an editorial, *THE STAR* comments on an economists' prediction that inflation has peaked and is unlikely to reach the November 16.9 percent level again by noting that "unfortunately most of the pointers we see around us (including the latest fuel price increase) seem to point precisely the other way. Should the economist prove correct, we will be only too happy to feel ... deflated."

Ex-Servicemen, Unemployment

In another editorial, *THE STAR* discusses unemployment among thousands of former national servicemen, one-quarter of whom will be without jobs this year according to estimates. Noting that "these men may feel that they have already made a sacrifice for their country by serving in the armed forces while others were establishing careers," the paper says that there "are two important issue at stake if they are to cope with their return to civvy street. In the first place, the ex-servicemen must be realistic about the kind of work they can do and there are contact centres which offer advice either about jobs or emotional and psychological problems." The second issue is that "the last thing this country needs is people developing psychoses. Already intergroup hostility is at an unacceptably high level. People who bear arms, and may be called up to do so at any moment, need to maintain their cool." The editoral concludes by hoping that the economic "upturn" arrives soon and all South Africans will be gainfully employed.

DIE VADERLAND on 1985

Pretoria *DIE VADERLAND* in Afrikaans on 31 December says in its editorial that 1985, the year of Rubicon, of the sinking economy, and of threats, tested the hearts and intellect of the country as seldom before. Dismissing the foreign "wise and false prophets", who preached to the country, it contunues: "But within the borders of the country and beyond these, within the whole of southern Africa, there was a continuation of the positive search for an existence of peace and progress; a search for just solutions to the issues caused by history and man. Did we succeed? Did we survive? And how much confidence, courage, and trust is there?" The realities of 1985 were harsh and clear, it says, and the civilized inhabitants of South Africa were able to come through the crucible. "With faith, hope, and love we will be able to face the challenges of 1986."